He'll Be Prexy at 40

Dr. G. Edward Hall, 38, who is to become President of the University of Western Ontario in 1948, turned to medical research while studying sheep farming at the Ontario Agricultural College, where he also starred in football and hockey. After graduating in medicine from University of Toronto, he studied at University College, London, England, and at the University of Ghent. Later he was associated with the late Sir Frederick Banting in wartime research. His prospects for the future are "frightening," says Hall, Dean of the Medical Faculty of Western University since 1944.

The Financial Post

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Court Drops a Bombshell On Modern Business Methods

Exchequer Court Rules Canadian Act Does Not Permit "Accrual" Accounting Basis, Method Followed in All Modern Reckoning

By KENNETH R. WILSON

OTTAWA—(Staff)—A startling judgment has been delivered by the president of the Exchequer Court in respect of income tax payments. It holds unequivocally that the Canadian Income Tax Act, as now written, contains no authority for making tax returns on anything but a cash basis.

Since tens of thousands of merchants and business firms use "accrual" basis for their accounts and their tax returns, this judgment cuts at the heart of present business and accounting methods. Delivered by Mr. Justice J. T. Thorson, it has already been appealed.

According to the judgment, a firm would have to class as income all cash payments received in the tax year, even though these payments covered work done in another year. A firm could also charge all cash payments for expenses, even though these took care of more than the year's expenses.

In the judge's view the only remedy is an immediate rewriting of the Act to bring it in line with universal business practice. He states:

"It has been the practice of the taxing authorities for a great many years to permit taxpayers in certain classes of cases to file their income tax returns on an accrual basis rather than a cash basis if they so elect, and indicate such election, and to assess them for income tax on such a basis. **I have come to the conclusion that there is no authority under the Act as it stands for this practice."**

Criticising Canadian tax laws as "lagging far behind" that of Britain and United States and being out of line with sound accounting practice, the judgment continues:

Unsound Practice

"Under the Income War Tax Act, as it stands, there is no place, as a matter of right, for the accounting methods on an accrual basis, even if it does reflect the true net profit or gain of the taxpayer, and it must give way to the express provisions of the Act. Income tax law in Canada in this respect lags far behind that of the United Kingdom and the United States and runs counter to well-recognized principles of sound business and accountancy practice."

Mr. Justice Thorson is also critical of the way in which administrative discretion has been used in this case to overcome weakness in the law itself. He admits that the "administrative practice" of permitting returns to be filed on an accrual basis has resulted in "a more equitable and sounder basis than would otherwise be the case," and he adds:

"It was, in effect, a needed tax law reform—but income tax law reform is not a matter for administrative action; it is a function that belongs exclusively to the appropriate legislative authority."

The recommendation is that the law be amended:

1. With a view to coming nearer the objective of taxing what is truly net profit or gain than at present.

2. So that the present basis of taxability be broadened to include income accrued or accruing, as well as that received.

3. So that the taxpayer be entitled as a matter of right to elect under what method of accounting he shall keep his accounts and file his tax returns.

B. C. Man Appeals

The case under review is that of Thomas B. Trapp, New Westminster, B.C., vs. Minister of National Revenue. Mr. Trapp purchased certain assets from a company which had gone into voluntary liquidation.

(Continued on page 2, col. 4)

Paper Mills Lift Output To New High

Newsprint Production May Average Over 90% Instead of Estimated 86%

MONTREAL (Staff) — Canadian newsprint production to date this year is higher than anticipated only a few months ago, and estimates of output for the year have been upped.

The industry has been fortunate in getting some new machines, and as a result, January production totalled 328,414 tons, close to 91% of capacity. This rate continued during February.

Barring machinery breakdowns or other adverse developments, output for the first six months may average 90% of capacity or better. There is sufficient wood available for this period (from last season's deliveries) to provide for 91% operations, and the only uncertainty is how equipment holds up.

The Canadian industry made plans for 1946 on basis of estimated average operations at 86% of capacity —300,000 tons monthly. Of this, 81% was to go to the United States and 6% to Canadian users, the same percentage as in 1945; the remaining 13% to go to overseas users.

The unanticipated increase in total production has benefited only North American users to date. This distribution of the "surplus" has brought protests from overseas-newsprint buyers, and some increase in overseas quotas may be deemed advisable.

Production and shipments for the final six months of 1946 depend on amount of wood available from the current cutting season. Indications to date are favorable. Cutting is about a month ahead of last year, and if only the same results as last year are achieved for final months of the season, the goal of a record wood cut, almost 10% more than a year ago, can be achieved. Deliveries to the mills must then depend on favorable snow conditions, and plenty of water in the streams in the spring.

Loan Talks Move Fast Though Snags Plentiful

OTTAWA (Staff) — Negotiations for a U. K. credit are coming rapidly to a conclusion. Time is running short since all the Canadian principals are due in Georgia March 8 to attend the opening meeting of the World Bank and Stabilization Fund.

Discussions on both sides are described here as "painful."

Britain, by force of circumstances, is being required to ask very liberal terms. Canada, for her part, is troubled by fear of Quebec's opposition to a loan on more generous terms than she herself can borrow money.

Britain's dilemma is that she feels that settlement of existing war indebtedness to Canada will have a very important bearing on subsequent negotiations looking toward the paring down of her huge sterling debt. She would like this debt cancelled entirely by Canada if possible. Because of the bitterness which attended approval of the U. S. loan, she feels she must achieve at Ottawa more generous terms in a Canadian credit.

Britain's existing war indebtedness in Canada amounts to something in excess of $1 billion. The exact amount cannot be determined until army accounts still outstanding are settled. Canada argues that this is a "debt" balance on war account and that this country through mutual aid and the billion-dollar gift has already cancelled out at least $3 billions or about three quarters of the total. This, it is argued, is the proper comparison against the "gross" total of existing sterling debt.

In respect of new money, the "worst" deal that Britain can get from Canada is a 2% 50-year loan with waiver clauses. This is because the Washington deal specifically states that Britain cannot negotiate any loss on terms more generous to the creditor than those given by the U. S.

Britain is keenly conscious of the hysteria which attended reception of the U. S. loan in Parliament and the press. It is argued, therefore, that we must be prepared to go back to London with a Canadian loan in more generous terms than those accorded her at Washington.

Plan Prepared On Vickers Pfd.

MONTREAL (Staff) — Announcement of a plan for capital reorganization of Canadian Vickers, Ltd., to clear up dividend arrears on the 7% preferred stock, is expected within the next week.

The matter has been under consideration by a committee of directors for some time. Recently there have been discussions by the management with groups holding important amounts of the preferred stock. One plan would involve split of the present preferred into new preferred of lower par value, and distribution of common stock to take care of dividend arrears claims. The present common would be unchanged.

In any capital reorganization, consideration has to be given to the fact that there are three series of present preferred: on 17,000 shares, dividends are in arrears since Aug. 1, 127; on 2,000 shares, from July 14, 1939; on 500 shares, dividends have been cumulative only from Oc. 24, 1944.

Test Validity Job Insurance

OTTAWA (Staff) — The legality and status of the Unemployment Insurance Commission of Canada has been challenged here this week.

What is charged is that the Government has permitted this $325 millions fund to operate illegally without a quorum of Commissioners.

Only remaining commissioner is Lorne J. Trottier, chairman, who was apointed at $12,000 a year for a 10-year term,

Mr. Trottier lives in Montreal though head office of the commission is in Ottawa. The other two commissioners, one representing labor and the other employers were named for five-year terms. These terms expired in 1945 and no steps have been taken to fill the vacancies.

Last retirement was that of R. J. Tallon, labor nominee, whose time was up last October. Under the law the Government has four months to fill vacancies. This requirement therefore has not been observed.

Labor leaders now charge that the

(Continued on page 2, col. 4)

Quebec Cities Combine In Drive for Industries

MONTREAL (Staff)—An all-out co-operative drive of municipal authorities in Quebec, working closely with the Provincial Government, is being organized to bring maximum possible industrial development. Preliminary plans were laid at a meeting in Montreal last year (The Financial Post, July 21, 1945).

One of the first co-operative steps being taken is launching in April of a new magazine "Industrial Quebec," to be distributed throughout Canada, the United States, Latin America and other countries.

Participating in the movement are officials and industrial commissioners of all the larger municipalities and municipal areas in the province, also representatives of utility companies, banks and the Government.

The new central organization is to be known as the Association of Industrial Commissioners of the Province of Quebec, and officers are:

President, Valmore Gratton, director, Montreal Industrial and Publicity Bureau; Vice-president, Armand Viau, industrial commissioner, Quebec City; Treasurer, Harold Thorpe, Canadian Bank of Commerce; directors: Horace Boivin, Mayor of Granby; Irwin McCabe, Quebec Dept. of Trade and Commerce; Lester McGillis, Shawinigan Water & Power Co.; committee chairman, Harry C. Beatty, manager, Montreal Board of Trade; secretary, Jacques Melancois, Montreal Chambre de Commerce.

The new organization grew out of belief that past policies had been hurting Quebec as much as helping it, and that in competing with other provinces and with areas outside the country in attracting new industries, a united front would benefit all.

Part of the plan is for the new central organization to offer a manufacturer contemplating a new plant complete information, and co-operation, in helping him locate in the particular locality best suited to meet his particular needs. Already, it is understood, some of the larger cities, which were not able to offer just what an outside manufacturer needed, have been successful in getting him to locate in some smaller municipality in the province.

The hope is that by interchange of information, and "swapping," an industrial prospect not satisfied by one municipality can be switched elsewhere inside the province, rather than going outside it.

Inside News

Smith to Wolves?

London hears Sir Ben Smith, food minister, may be first casualty in the Attlee cabinet, "flung to the wolves" as a result of the food crisis. England is coping quietly but competently with the crime wave; but juries show sympthy toward soldier husbands who kill erring wives. London Calling, by Adelphi. (p. 24).

Maritime Metropolis

Halifax is nearing her second century mark. Canada's "front door to the Atlantic," Halifax feels that existing railway freight rates place her at a disadvantage, as compared with other sections of the Dominion; urges uniform, coast-to-coast price levels for all domestic commodities. Growth Cities of Canada. (p. 16).

DDT in Wallpaper

is claimed to kill moths and other insects, while harmless to humans and domestic pets. Helicopter taxis are forecast in U.S. this year. Flying showroom will carry displays of 28 U.S. manufacturers to Latin-America this spring. Liquid springs are successfully applied to British aircraft. What's New in Business. (p. 20).

Lured to the U. S.

are thousands of young Canadians, who might have been nation-builders of the future. Informed Canadians in varied walks of life analyze the reasons for the drift, and offer suggestions to remedy it. (p. 7).

Tieups Threaten

in U.S. telephone and mine fields. The St. Lawrence waterway project, coming up for the third round, still faces strong opposition in Congress. Washington Letter. (p. 12).

$50 Millions Stake

is invested by Canadians in the big Polymer Corp. at Sarnia, Ont., only synthetic rubber plant in the British Empire. Its future depends in part on future prices of crude natural rubber; in part on performance of Buna (synthetic rubber) tires on ice and snow. But indications are that Polymer, set up to meet war emergency, is in the field to stay. (p. 13).

Women in Majority

in Canada within 75 years, Dominion Bureau of Statistics estimates. But when they outnumber men, the latter may play "hard to get," and be less responsive to feminine influence. Also, Canadians as a race are growing older; within 20 years, the population over 35, will outnumber the youngsters. Labor, government, merchandising problems, will all be affected by the shift. (p. 13).

13 May Be Lucky

for that number of companies, of widely varied natures, are sharing the former Small Arms plant at Long Branch, near Toronto. Their experiment in multiple tenacy has produced many minor headaches, but these are rapidly being overcome, and the venture gives promise of success. (p. 15).

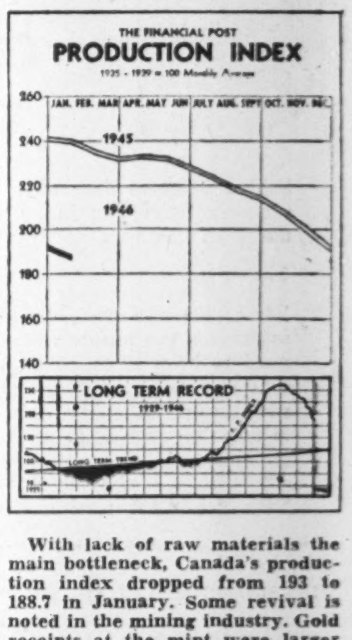
Petty Officialdom

is under fire in many briefs submitted to the Trade and Tariff Committee at Ottawa. Canadian manufacturers complain that local administraive rulings at many U. S. border points, virtually bar Canadian goods from American markets. Some 300 briefs now submitted, with more to follow, will help clarify Canada's stand in future tariff negotiations with 14 other United Nations. (p.3)

Payroll Savings

may continue in Canada after deductions for victory bond and war savings certificates end. Nine out of 10 employers polled by the Government favor continuance of some such system. Workers are said not to be so unanimous on the subject. (p. 5)

Pace of Business



With lack of raw materials the main bottleneck, Canada's production index dropped from 193 to 188.7 in January. Some revival is noted in the mining industry. Gold receipts at the mint were larger than in any month of 1945. The flour milling industry showed considerable advance. The meat packing and dairy industries showed recession. Raw cotton consumed by the textile industry was higher; newsprint made an encouraging gain in the first month, while the outward shipments of lumber were lower. Construction increase was less than normal for the season. Recession in refined sugar was less than normal. Cigarettes made available rose from 1,166 million to 1,491 million and a considerable gain was shown in cigars.

THE NATION'S BUSINESS

Govt. Discriminates In Property Taxes

Under Section 125 of the British North America Act no property belonging to the Crown is liable to taxation. In the Auditor-General's Report for the last fiscal year, however, 19 specific cases are reported where public money was used to pay taxes to various municipalities.

These payments, which amounted to a substantial figure, were exclusive of such special services as water, sewage extension, etc. Research Enterprises, for instance, paid the town of Leaside, Ont., almost $50,000. The Canadian Broadcasting Corporation inaugurated an annual grant of $60 per dwelling to the town of Sackville, N.B., at which point its new short-wave station is located. The government-expropriated Eldorado property at Port Hope, Ont., continued to pay annual taxes of $1,326.31.

In some cases these taxes merely represent a similar amount previously paid by private owners before the government took over the property for war purposes. In others, such as the CBC deal, the contribution is designed to cover special police and fire protection. In many instances the municipalities were required to expand greatly such protection, as well as to provide new transportation, new streets, sewers, lighting, etc.

The justice of these tax payments, under such circumstances, is not questioned but the discrimination toward other municipalities is an entirely different matter. When the BNA Act was drawn up the present wide invasion of the government into commercial fields was never contemplated. Our forefathers probably never even dreamed that some day provincial and federal governments would be operating railways, liquor stores, public utilities, radio stations and munition factories.

Obviously Section 125 must be revised. If it is fair to pay taxes on government commercial property in Leaside or Sackville, then it is fair to pay taxes on government commercial property everywhere. The Auditor-General is to be commended for bringing this discrimination to the attention of the public.

* * *

Soviet Scorns UNO Principles

"If the Russians worked through a fellow-traveller system in Canada, how large an organization of the same type must they have in the U. S. and Britain? Who can be trusted? It is the peculiar theory of many fellow-travellers (local sympathizers) that they owe their first allegiance, not to their own country, but to 'civilization' and it so happens that they think Communism is civilization."

That comment of Whaley-Eaton hints at the gravity of the situation facing the democracies. Its full import demands the most careful examination by all Canadians.

Stalin's recent speeches and Russia's power drives in Manchuria and the Near East make it very clear that the Soviet scorns the principles on which UNO was founded.

Stalin's recent speech announced that Russia must devote the next 15 to 20 years to building and increasing her military might. Not to improving the standard of living of the Russian people, not to bringing in the fruits of a Communist Utopia, not to helping build a better, safer world community, not to giving the citizens some semblance of personal liberty and to loosening the shackles of police state! War-making might is to be Russia's goal for at least the next half generation.

Undoubtedly such a policy fits well with the domestic convenience of the Stalin Government. Such a program will help stifle hope that the day is near when Communism starts paying off in its promised wonders.

The Stalin policy will help hide the continued inability of the Soviet economic system to give the masses anything approaching the standard of living of the western world. Above all, it will excuse and help win acceptance for continuation of the police state and the strictest regimentation of the lives of individuals.

'Moral Energy' Need of Democracies

What does the Stalin policy mean for the rest of us?

It means that to help maintain world peace, we need far more realism and candor than ever before in our relations with Russia. Candid recognition of the differences in point of view and national aims will protect everybody far better than sentimental or false twaddle which tries to pretend that differences do not exist.

Walter Lippmann says:

"Now that Stalin has made the decision to make military power his first objective, we are forced to make a corresponding decision. It is to use our industrial power, which is still pre-eminent, and of which, once our wartime shortages have been overcome, we (the U. S.) shall have a surplus, to reinforce, rebuild and modernize the industrial power of western Europe and to take a leading part in the development of the industrially backward parts of Asia.

"Stalin cannot now expect us to accept the Communist line that western Europe must remain divided while the USSR carries out the plan he has just announced."

Russia therefore forces a decision upon us—a decision to maintain peace by strength. The danger to peace lies not in the decision, but in failing to live up to the consequences and the full terms of that decision.

Again to quote Lippmann:

"What Stalin offers the world is no Communist Utopia. It is the prospect of a mighty Soviet state in which the welfare of the people and their liberties are subordinated to military power. To the other peoples he does not offer security, power, welfare or liberty. We can, if we have the moral energy, offer all of them."

"Moral energy." That is the key to our challenge and to our safety.

Remove Wool Subsidy In Price Ceiling Hoist

Another cautious step along the road to removal of government restrictions and controls is the Wool Administrator's order (A-1871) taking the subsidy off imported raw wool, noils, Bradford tops and dry combed worsted tops. In all cases where subsidy has been removed the price ceiling has been raised by the amount of the subsidy. Effect of this order on the consumer is nil, at least for the present, and even the woollen industry expects to see little change.

In bringing in this order the Government is apparently following a similar policy to that adopted when the ceiling was removed on some 300 consumer goods earlier this month (see Financial Post Feb. 9). In both cases the supply of goods covered by the orders is sufficient to keep prices from rising appreciably. Wool manufacturers and fabricators say that there has been an ample supply of coarse wool for some time and that subsidy on this type had been removed even before order No. A-1871 was issued since price was down to basic period levels. And while removal of the subsidy on the finer wools, yarns and woollen cloths means that buyers will have to pay more for these items the order also provides for a corresponding increase in his selling price.

Between higher raw material cost and increased price of consumer articles still stands the retail ceiling on woollen and knitted goods. also order No. A1871 provides for a graduated increase in manufacturers prices corresponding to the various processing stages. For example subsidy removal and increased price on raw wool and noils, Bradford tops became effective Feb. 1, while spinners' maximum price on fine woollen yarns doesn't go up until Mar. 1, and weavers' maximum prices for woollen cloth go up April 1.

It is thought that these materials will not reach store counters in the form of knitted goods and cloth until fall, when some adjustment in the retail price may be made. However, wool manufacturers think that practically all the price increase will be absorbed by the trade, since the amount of subsidy was small.

Effective dates of the order are staggered from February 1 to April 1 to conform with trade and inventory "flow" problems. Imported raw wool and noils on and after February 1 may be sold at new maximum prices set so as to absorb the amount of the subsidy now removed. The same is true of Bradford tops and Dry combed worsted tops imported from Australia.

Woollen yarn may be sold by spinners on and after March 1 at maximum prices as at Feb. 28, plus 4 cents a pound net weight. Bradford knitting yarn prices may rise 5 cents a pound on the same basis; Bradford weaving yarn 9 cents and

(Continued on page 2, col. 4)

Window Glass Supply Critical Improvement "Months Away"

Seldom, if ever, has Canada been as short of window glass as she is today. And the shortage may grow worse, glass distributors tell The Financial Post. In this vital building commodity, Canada is almost entirely dependent on imports from United States, Britain and Belgium; European reconstruction and recent strikes in the U.S. glass industry have combined to cut exports to a trickle. The shortage is called worldwide and Canada a major sufferer.

Dealers look to United States glass makers, mainly Pittsburgh Plate Glass, Libbey-Owens-Ford, American Window Glass and Fourcault Glass, for earliest relief. Labor strikes and slowdowns, affecting chiefly the two first named, have been over for some weeks now. But the trouble had lasted four months and inventories were virtually wiped out. Despite this and record demand of U.S. builders, Canadian glass distributors expect substantial increase in U.S. shipments to Canada by summer.

Belgium by then, it is expected, many have reached peak output, have dented its reconstruction backlog and found a fairly large though much less than normal exportable surplus. In that case, Canada will share Belgian glass exports with Europe; resumption of supply from this source, together with current shipments of British glass and the hoped for increase from United States "should go a long way toward meeting any reasonable Canadian demand."

United Kingdom window-glass makers are reported 12 months behind in their orders and British glass shipments to Canada less than half normal volume because of prior demands of its housing and reconstruction program.

2,400 Oil Issues Are Reviewed In Survey of Oils

Providing information on over 500 companies devoted to the production, refining and marketing of oil and gas in Canada, The Survey of Canadian Oils, 1946 Edition, is now off the press.

In addition to details on property holdings, production, earnings, dividends and financial position of established companies, the volume also provides data on defunct, dormant and inactive companies, bringing to some 2,400 the total of companies covered.

An enlarged map section reflects the search for oil in many new fields. Existing fields have been remapped to provide essential information on individual property holdings.

Prepared by The Financial Post, this book is available at $1 from Maclean-Hunter Publishing Co. Ltd., 481 University Ave., Toronto.

Milk Subsidy Headache Is Worse As Canadians Drink Steadily More

OTTAWA (Staff) — The Government is now wrestling with one of its thorniest "decontrol" problems—when to remove the two-cents-a-quart subsidy from milk.

Since price control began, this subsidy has been the costliest, and the most difficult and embarrassing to administer, of all domestic subsidies. Last year it cost the Government nearly $21 millions, apart from administrative costs. To date it has cost taxpayers close to $65 millions; is currently running at the all-time peak of 2 millions monthly.

A tangled interplay of government controls has arisen. For one thing the Government is desperate to maintain butter and cheese production for home and export needs. On the other hand it sees milk consumption in Canada soaring to unprecedented heights by reason of family allowances for children, a 2-cents-a-quart subsidy and other factors.

Why then, it is argued, not drop the subsidy? By doing so taxpayers would be saved at least $2 millions a month. Milk consumption would be checked. Butter and cheese production might increase. And the Government would be rid of one of its nastiest administrative headaches.

Fear For Ceiling

The sticking point is this: a 2-cent rise in milk prices would boost the cost-of-living index about one full point. Such a boost, it is argued, would add fuel to present demands by labor for wage increases. So the Government, as yet, has done nothing.

Exact figures on the rise of milk consumption in Canada are hard to find. Over-all figures prepared by the Dominion Bureau of Statistics show a gain of at least 25% since 1939. Special studies in major consuming markets, undertaken by WPTB since 1942, show that by October of last year, milk consumption in these areas in Canada had risen almost 45%.

At midsummer, 1945, milk consumption in these main market areas was running 1 to 2% above the previous year. By December, 1945, sales were 11% ahead.

Three factors are said to be responsible:

1. Payment of the baby bonus.

2. Return of soldiers from overseas.

2. Higher taxes and less sugar for soft drinks, which boosted prices an additional cent and cut supplies.

Many on Milk Wagon

The swing to milk since last July is both phenomenal and worrisome to those responsible for keeping the nation's supply picture in balance.

Extraordinary administrative difficulties have been encountered since the introduction of this bonus. Not only must it be paid to thousands upon thousands of producers and distributors; it is a matter of constant hazard and concern as to just who is eligible and for how much. That is because it is impossible for the Government to tell, in hundreds upon hundreds of cases, just who is a producer and who is a distributor.

This bonus, by law, or rather in theory, is payable to the distributor as a direct "consumer" benefit. Where a firm is only in the business of distributing milk at retail, this is a relatively easy calculation. Where the firm is both producer and distributor, the precise calculation of how much subsidy is payable becomes in many cases little more than guesswork.

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Sketched above; brown jackets in burly wool and cotton herringbone tweed teamed with rich brown coloured, wool cheviot slacks.

EATON'S

KING EDWARD HOTEL CO. plans a three year project to renovate the King Edward Hotel, Toronto, from basement to roof. Re-establishment of the Royal Winter Fair, the Canadian National Exhibition, the linking of the basement of the hotel with the proposed rapid transit system for Toronto, and arrival of transocean passengers in Toronto via the St. Lawrence waterway, were discussed by President Cardy at the annual meeting.

Wanted to Purchase

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B8

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government.

Admiral Beatty Hotel Co. (Saint John)—F. P. Starr, president.

Anglo-Newfoundland Development Co.—Elliott Little, president; F. J. Humphrey, chairman of board; W. H. Howard, K.C., a director.

Association of Textile Mill Representatives — E. Nicol, president; Stewart Green, Douglas McCaw, vice-presidents.

Ayerst, McKenna & Harrison, Ltd.—W. A. Leslie, president.

Brazilian Traction, Light & Power Co.—E. C. Fox, a vice-president; Henry Borden, a director.

British Columbia Building and Construction Industries Exchange—J. G. Bennett, president.

Canada Health & Accident Assurance Corp.—F. D. Nilsson, secretary-treasurer; A. C. Powell, assistant manager.

Canada Trust Co.—J. Allyn Taylor, trust executive.

Canadian Fire and Canadian Indemnity Insurance Group — A. L. Denison managing director; James A. Dowler, general manager; W. Culver Riley, assistant general manager; T. Bruce Ross, secretary; W. S. Scott treasurer; Robert Welch, casualty manager; Robert E. Anderson, claims manager.

Canadian Industries Ltd.—Wm. H. Coates, a director.

Canadian National Railways—H. O. Waddell, division engineer, Toronto terminals.

Canadian Pacific Railway—J. Russell Kimpton, general superintendent, Quebec district; G. N. Curley, assistant to vice-president, eastern lines; A. C. MacDonald, superintendent, Farnham division; L. R. Bangs superintendent, Trenton division; J. B. MacPherson, assistant superintendent, Trenton division.

Canadian Red Cross Society—Dr. Harvey Doney, national director of first aid.

Cardy Hotels—George Allan Ross, a director.

Dominion Government — Ludlaw Hawkins, director publicity branch, Dept. of Reconstruction; Dr. F. S. Burke, chief of blindness control division, Dept. National Health.

Engineering Institute of Canada—J. B. Hayes, president.

R. M. Harcourt & Co.—R. M. Harcourt, A. G. Poupore, partners.

Gatineau Power Co.—Alan Brown, general manager of distribution.

John Inglis Co.—A. A. Paoli, mid-west district manager.

Lunenburg Board of Trade—W. F. Kinley, president; Douglas Pyke, vice-president.

Lumbermen's Mutual Casualty Co. and National Retailers Mutual Insurance Co.—Robert P. Woodcroft, manager fire underwriting department for Canada.

London & Lancashire Insurance Group—Fred R. McDowell manager at Saint John.

London & Western Trusts Co. — Margaret P. Hyndman, E. A. R. Newsom, D. W. Land, D. F. Gibson, directors.

Mercury Mills, Ltd.—H. H. Mockler, manager of merchandising and production; J. G. Anderson, acting sales manager; David Savage, assistant sales manager.

Maitland Spinning Mills—W. A. Mee, sales manager for hand-knitting yarns.

Maxson Food Systems — Norman Vincent, Toronto, president; Walter N. Rook, Toronto, vice-president; secretary-treasurer and director, R. Leliever, Toronto.

Manitoba Sanatorium Board — G. W. Northwood, chairman.

Montreal Bond Traders' Association—L. J. Keating, president; W. Fraser, E. McNeil, J. G. Pattee, executive members.

Northern Electric Co.—H. R. Varcoe, electronics sales manager.

Noma Electric Co. of Canada (and Noma Toys, Ltd.)—Louis Szel, president.

Ontario Highway Construction Safety Association—H. Cope, president; R. C. Tempest, vice-president.

Odeon Theatres—Hon. J. E. Lawson, president.

Polymer Corp.—A. H. Newman, public relations manager.

Sun Life of Canada—R. A. Dorrell, assistant manager, Winnipeg branch.

Supertest Petroleum Corp.—D. S. Black, assistant general manager; G. C. Miller, manager, Windsor division.

Toronto General Trusts Corp.—C. R. Wilson, secretary, Montreal Office.

Tea Bureau—F. A. Healy, director of information.

University of Toronto—J. A. MacFarlane, dean of medicine.

Wood, Fleming & Co.—Howard Sale, M.P.P., a member real estate and insurance depts.

Winnipeg Canadian Club—H. W. Manning, president.

Look For It Here

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More Newsprint As Beaver Plant Reopens Doors

From Our Own Correspondent

ST. CATHARINES—An improvement in newsprint supply was foreshadowed here with an announcement that the Beaver Wood Fibre Co., closed since power restrictions were imposed early in the war, is to resume operation of its newsprint division.

Under agreement with the Ontario Paper Co., entire output of the plant, set at 20,000 tons yearly, will go to that firm, which supplies the Chicago Tribune and the New York News. Those newspapers have been buying in the open market, from which, in future, they will require 20,000 tons less.

The program calls for initial employment of 75 persons. Pipe lines will connect the Beaver and Ontario plants, situated across the road from each other.

"Kroy" Products Ready by August

York Unshrinkable Wools has changed its name to Kroy Unshrinkable Wools and John S. Lewis has been appointed general manager.

The company's Toronto plant has been in production for several weeks, processing wools in the "tops" stage. Finished products in the form of men's hose, ladies, men's and children's underwear, sweaters and hand-knitting yarns are expected to be available in August. A small extra charge, included in the price of the finished article for the non-shrink process, will be "insignificant" compared to the greatly increased wearing life of the treated garments, an official states. Greater portion of the non-shrink process will be performed in the "tops" stage.

Test Validity Job Insurance

(Continued from page 1)

whole operation is being carried on illegally.

Such charges, The Post understands, were voiced this week at the annual meeting of the Unemployment Insurance Advisory Committee. This Committee reports direct to the Governor-General-in-Council on the solvency of the fund. As well, the legality of the committee itself was understood to be called into question.

It is contended that authority for this committee to meet has also expired.

When the committee met here this week it also heard a demand from labor leaders representing the two major union bodies that the scale of benefits payable under the Act be increased.

Government officials do not deny that there has been only one commissioner since Oct. 31 last. It is contended that the matter is under consideration at cabinet level and that meanwhile officials of the Department of Justice are of the belief that the work can be carried on with the aid of the Minister of Labor.

This raised another important question: the fact that the commission itself as now constituted comes to an end on March 31 next unless a special order in council is passed meanwhile.

What happened was that in September, 1942, the Government passed P.C. 7994 which turned over to the Minister of Labor for the duration of the war "the personnel and premises of the Unemployment Insurance Commission in connection with the administration of National Selective Service regulations."

This means that since that date instead of being a separate independent authority, the commission has been in effect administered through the Department of Labor. A subsequent order passed last September extended this until March 31, 1946. According to labor leaders, the Government should either take steps at once properly to reconstitute the commission or abandon entirely the contributory system of payments to the fund. Contributory payments were made by employees, it is claimed, on the distinct understanding that labor would be represented on the commission and that the fund would be independently operated. Neither of these conditions are now being met, it is claimed.

Return of the commission to its original independence would lift some 7,000 persons out of the jurisdiction of the Department of Labor and back to the commission. These are persons presently employed by National Employment Service. They constitute roughly three quarters of the entire personnel of the department.

Court Drops Bomb On Business Method

(Continued from page 1)

Out of the transaction he held a mortgage for $76,000.

In his tax returns for 1940 Mr. Trapp claimed as an item of expense, $3,800 as one year's interest on the mortgage, although it had not been paid. This claim was not allowed. Mr. Trapp appealed the assessment on the grounds that his returns were on an accrual basis and that the disallowance was an improper use of ministerial discretion.

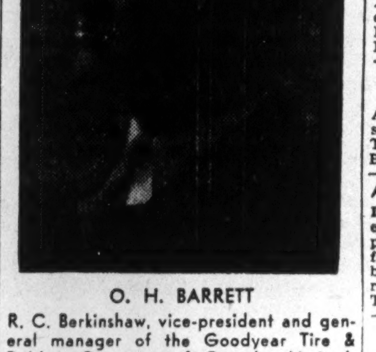
The department contended that the interest was not actually paid out or expended for the purpose of earning income; that there was no provision in the Act permitting the taxpayer to elect to be taxed on an accrual basis.

Remove Wool Subsidy In Price Ceiling Hoist

(Continued from page 1)

worsted yarn made from dry combed tops by 15 cents a pound.

On and after April 1, dyers and finishers may pay 6% more for fabric dyeing and finishing than they did December 31, 1943. At the same date, woollen cloth prices may rise 3 cents a yard on cloth which sold up to $1.15 a yard at March 31, 1946, and 6 cents a yard on cloth selling at more than $1.15 on that date. Worsted cloth prices on the same date, may rise by stated amounts varying from 11 cents on goods up to $1.30 a yard and increasing to 25 cents for goods which sold at March 31, 1946 for over $2.70.



O. H. BARRETT

R. C. Berkinshaw, vice-president and general manager of the Goodyear Tire & Rubber Company of Canada, Limited, announces the appointment of O. H. Barrett, assistant to the president.

Sask. Liberals Attack Auto Insurance Plan

From Our Own Correspondent

REGINA—Attempt of the Liberal opposition in the Saskatchewan Legislature to give the Auto Accident Insurance Bill a six months hoist was blocked when CCF members, plus three armed forces representatives combined to defeat the Liberal move by a vote of 42-5. The bill was given second reading.

In a sharp debate on the new and controversial measure introduced last week by the CCF Government one CCF member, while praising the bill as a whole declared: "I think some of the clauses might be improved."

Main criticisms by A. T. Proctor, Liberal, who led opposition resistance were:

1—It would oblige motorists to pay for insurance for pedestrians and passengers.

2—Benefits bore no relation to risks or rate paid.

3—Escape clauses were too wide.

4—Rates were unfair.

5—There was no appeal against rates except to a government appointed board.

6—It discriminated against persons working for wages or entitled to Workmen's Compensation Act benefits.

7—It contained no property damage protection.

8—Profits, if any, went to pay for social services placing an unfair levy for such services on car owners and operators.

Proctor termed the bill "The greatest hoax ever perpetrated on the people of any province in guise of an insurance measure."

Opposition Leader Patterson was critical of the Government for failure to provide the legislature or public more information on the workings of the special committee that had studied the matter. (This committee government consisted of: M. F. Allore, manager of the Government insurance office, and five civil servants.) Another Liberal hit the bill because it "levied an impost on the farmers."

Treasurer C. Fines said that with a government insurance scheme in effect motorists would be able to obtain additional insurance protection at a lower rate than in the past. He intimated the SGIO was planning to offer protection up to $10,000 for a small additional premium.

Burnelli Planes Near Production

MONTREAL (Staff)—Canadian Car & Foundry Co., Ltd., is likely to be in commercial production of Burnelli cargo-passenger transports very soon.

With lifting of priorities, the company has been able to obtain Pratt & Whitney engines of the required type, and tests of the company's Burnelli prototype, with designed horsepower installed, are to be resumed, preliminary to certification by the Government, and the "green light" for deliveries. Canadian Car has on hand a number of orders, both export and domestic, for the new Burnellis.

Lower Interest Rates Forecast

OTTAWA (Staff)—Official announcement of new interest rate conditions affecting present and possibly future government borrowings were expected this week. The proposals, under consideration for some time, were due to go to Cabinet Thursday.

Although the two matters are said to be unrelated, it is thought that lower official interest rates in Canada may pave the way for the generous terms Canada is said to be offering Britain in present loan negotiations.

Trust Firms' Merger Approved at Meetings

At the special general meeting of the Trusts & Guarantee Co. in Toronto and at that of the Crown Trust Co., Montreal, shareholders voted unanimously for purchase of the Crown Trust Co. by The Trusts & Guarantee Co.

The price, $1,375,000 cash, will be paid out of the capital assets of the combined companies, Crown Trust shareholders receiving $137.50 for their shares.

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Feb. 26, 1946

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
▲Alg. Cen. H.B.R.	5	'59	64	67	64½
†Assoc. Tel. & T.	5½	'55	113½	116	113½
B. C. Pwr.	4½	'60	104	106½	104
Do.	4	'65	103	105½	103½
B. C. Tel.	4½	'61	107	109½	106½
†Calgary Pwr.	5	'60	114½	...	115
Do.	5	'64	105	107½	105
Gatineau Pwr. A	3¾	'69	115	...	116
♦Do., B	3¾	'69	104½	107	104½
Gt. Lakes Pwr.	4½	'56	102½	105	102½
Do.	5	'57	103	105½	102½
*Int. Hydro-El.	6	'44	103	106	105
L. St. Law. Pwr.	3½	'65	102	104½	102
Macl'n-Que. Pr.	4	'59	103	105½	103
Mtl. L. H. & Pr.	3½	'56	101½	103	101
Do.	3½	'73	101	103½	100½
Do.	3½	'63	102	104½	102
†Mtl. Tramways.	5	'51	110	...	110
†Do. B	5	'55	101	103½	100½
Nat. Lt. & Pwr.	4½	'61	101½	...	101
N. S. Lt. Pr.	4	'57	102½	105	102½
Otta. L. H. & P.	4	'57	102	104½	102½
Ottawa V. Pwr.	5	'59	102	...	102
Do.	4	'64	105½	...	105½
†Power Corp.	4½	'59	115	117½	115
Quebec Pwr.	4	'62	102½	105	102½
°Saguenay P. A a	4½	'66	113	...	113½
♦Do., B	4½	'66	103	...	103½
St. Maurice Pr.	3¾	'70	103	105½	103
Shaw. W. & Pr.	4	'61	102	...	104
†Do.	3½	'70	103	105½	103
Do.	4	'69	104	106½	104
Union Gas	4½	'50	101	103½	101
†United Secs.	3	'52	98½	...	98½
†Wpg. El. Ser. A	5	'65	99½	101	99½
Do., B	5	'65	104½	107	104
Industrial and Realty Issues:					
†Abitibi Pr. P. C.O.D.	5	'53	117	119½	117½
Acadia-Atlantic Sugar	3¾	'65	101	104	101
†Alta. P. Grain.	6	'46	110	...	110
Algoma Steel	5	'48	101½	104	101½
Aluminum Co.	3½	'74	102	104½	102½
†B. C. P. & Pap.	6	'59	106½	...	106
‡†Do.	7	'50	100½	103	101
Brown Co.	5	'59	108½	111	109
Burns & Co.	4	'63	101	103½	101
Can. Celanese	3½	'59	101	103½	101
Canada Cement	4½	'51	102	104½	102
Canada Electric	4½	'65	101½	104	101½
Can. Steamship	3½	'57	101	103½	101
†‡Can. Vickers	6	'47	107	109½	107
Can. West Lum.	4	'62	101	103½	101
C. P. R.	3½	'51	103½	105½	103½
Do.	4	'49	105½	107	105½
C. P. R.	4	Perp.	127½	...	126½
†Consol. Paper	5½	'61	109	111½	109½
Dom. Coal	4½	'52	101	103½	101
Dom. Scot. Inv.	4	'52	101	...	101
Dom. Textile	3½	'59	102	...	102
Dom. Woollens	5	'64	102½	105	102½
†Donnacona Pap.	4½	'56	108½	111	108½
*Dryden Pap.	6	'49	108½	...	108½
Famous Players	4½	'51	101½	103	101½
†Federal Grain	4	'64	101	...	101
*Great L. Paper	5	'55	111	114	111
°Gurney Fdry.	5½	'49	102½	...	102
†Gypsum Lime	5½	'48	109½	111	109½
Ham. Cotton	3¾	'59	100	...	99½
Imperial Tob.	3½	'56	102½	...	102½
Inter-City Bak.	5½	'48	101	...	101
Indust. Accept.	4	'52	101½	104	100½
Ins. Ex. Bldg.	3	'51	92½	...	92
*Inter. P. Nfld. (Bowater's P&P)	5	'68	110	...	110
*Inv. Bond & Sh.	5	'47	98½	101	99
Lake St. J. P.	5½	'61	103	105½	107½
Do.	5	'61	102½	105	103
Legare	6	'61	101	...	100½
MacMillan (H.R.) Export	4	'65	102	...	102
Maple L. M.	3¾	'63	101	...	101
Man. Sugar	5	'60	103	...	104
Massey-Harris	4½	'54	102	104	103
McColl-Fron.	4½	'49	101½	104	101½
McCormicks	4	'52	101	103	101
Mercury Mills	5	'59	100	103	100½
Moirs Ltd.	6	'53	101	...	101
‡Mtrl. Drydocks.	6	'48	99½	102	100
Montreal Apts.	4	'54	97½	100	98
N. S. Stl. Coal.	3½	'63	98½	101	98
Price Bros.	5	'57	103	105½	103
*Prov. Paper	5½	'47	110½	...	110½
Reliance Grain	4½	'52	100½	...	100½
Silv. Dairies	4	'60-64	101	104	101½
Simpsons, Ltd.	3½	'60	101	103½	101
Toronto Elevat.	3½	'66	100½	...	100½
United Corp.	4	'58	100½	103	100½
United Gr. Grs.	4½	'58	101	103½	101½
†Western Grain.	5	'63	101½	104	101½
York. Knit. Mills	4	'64	100½	...	100½

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
°Payable in U. S.
♦Payable in Canada only.
‡Traded without accrued interest.
▲Payable in Can. or U. K.

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Box 158

THE FINANCIAL POST, TORONTO 2, ONT.

ODEON THEATRES' President Paul L. Nathanson has resigned as president and managing director of Odeon Theatres on account of illness. Hon. J. Earl Lawson, K.C., has been elected president and Mr. Nathanson remains as a member of the board.

Time for Seed Catalogues . . .

Time for Topcoats

28.50 to $45.

Don't be fooled by the last blast of Winter—Spring is not far away! Right now's the time to choose your new topcoat, while Simpson's selection is at its peak. You men who drive will be specially interested in the new single-breasted models with broad, set-in shoulders that are free and easy behind the wheel, trim and square when you're walking. Choose yours in one of the new tweeds, polos, cords or velours — in Spring-tonic tans, fawns, browns, greys, blues and teals. Sizes 36 to 46 for all builds. Each 28.50 to $45.

Simpson's — The Store for Men
Second Floor

Simpson's

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Modern poultry farm of 24 acres, with full equipment comprising — electric incubators (25,600 capacity); breeding stock; brooder, poultry houses and field equipment for 3,000 birds and 1,000 chicks. Office, tractor, etc., estimated output for 1946—125,000 chicks. Excellent 7-room dwelling and help's cottags, early possession. Price $31,500. Further particulars from

J. H. WHITTOME & CO. LIMITED.

Box 399, Duncan, B.C.

War Veteran Enterprise

Ex-Sailors Ignore Odds Win in Car Parts Field

Two former sailors are finding their shore legs in the automotive supply wholesale business in Edmonton. When they opened for business last October they knew the field would be hard to break into. A file of letters four inches thick from supply houses all saying "No" confirmed this belief. Nevertheless they persisted, overcame their problems and have reached the point where they believe they are "over the hump." They estimate that the business into which nearly five months ago they started sinking their savings to the value of $7,000, is now worth at least $10,000.

R. B. Morrison worked in an automotive parts distributing firm before the war and for three years at Aircraft Repair here during the war. In May, 1944, he joined the navy as a supply assistant and served in the dockyard at Halifax. His brother-in-law, J. S. Hutchison, enlisted in May, 1940, and served on minesweepers and corvettes. He was discharged as a petty officer stoker last August. Mrs. Morrison, Hutchison's sister, is secretary of the firm.

MR. MORRISON

Even when in the navy, Bob began laying the groundwork for their future business career. When Jack got out he obtained premises and made the necessary alterations personally to convert them to the partners' needs.

Their firm, Parts, Ltd., is incorporated as a private company at $20,000. The partners first invested $1,500, which lasted through October and November. In December they added $2,000, in January another $1,500 and in February still another $2,000. This represented their own savings and a loan from Bob's father.

In October, Parts, Ltd., grossed $800; November $1,800, December $1,400; January $2,000; and in the first two weeks of February more than $2,000.

"Well Satisfied"

"We expected to go in the hole for the first six months and we are well satisfied with the results to date," says Morrison. Meanwhile, the young businessmen are living on the awaiting-returns benefits they get from the Department of Veterans' Affairs.

MR. HUTCHISON

Bob and Jack have already established a good credit rating. Their district bank has assured them of a line of short-term credit to meet their 30-day accounts payable. They have been able to establish 30 days' credit with all their supply houses and each month have picked up the 2% discount for payment by the 10th.

The first problem the ex-sailors had to face was obtaining supplies. They soon found established lines were practically closed to them. They skirted this problem by stocking their shelves with goods comparatively new to northern Alberta. They make no attempt to match prices with larger wholesalers but instead, use quality of their merchandise as a "talking point."

Their capital did not permit them to carry as much stock as they desired, so they also conducted a small agency business. They also carry a limited quantity of aeroplane parts, and do a limited agency business, with an eye to Edmonton as an aviation centre.

Work 15 Hours Daily

Placing their goods with retailers proved to be no problem at all. When the day of shortages is over, they are confident the quality of goods they handle will enable them to retain all their retail customers. They employ two country salesmen who work on a commission basis with the guarantee of a basic salary.

The partners are convinced that Edmonton is one of the best automotive parts and accessory markets in the world, because it is so far away from the major suppliers that customers must have quality goods.

The partners admit they are looking for more capital on an investment basis. They feel confident they will get it. Meantime, they work from 8:00 a.m. until 11:00 p.m. nearly every day to guarantee the success of their growing business.

Civil Service Pay Is Probed

OTTAWA (Staff)—Walter L. Gordon has been named chairman of a Royal Commission on "administrative classifications in the civil service." Mr. Gordon is a partner of Clarkson, Gordon, Dilworth & Nash, Toronto, and managing director of the industrial engineering firm of J. D. Wood & Gordon, Ltd. Other members of the Commission are General E. de B. Panet and Sir Thomas Gardiner, who recently retired as director-general of the British Post Office. The latter replaces Sir Horace Hamilton, a veteran of more than 40 years in the British Government service, who became ill after being named as a member of the Commission.

The Commission is to study scales of salary classifications and conditions of employment in the senior administrative officers in the public service.

LOUIS SZEL

has been appointed president of Noma Electric Co. of Canada, Toronto, and Noma Toys, Ltd., Owen Sound.

Power of U. S. Officials Attacked in Tariff Briefs

Most of 300 Submissions Deplore Border Practices of Local Officers — Majority Would Also Retain Empire Preference Margins

OTTAWA (Staff)—Some 300 individual representations have been received by the special Trade and Tariff Committee headed by Hector B. McKinnon. In only a very few cases have those submitting briefs, asked for a personal hearing. Nearly all, however, have indicated willingness to come before the Committee if it wishes. Briefs and submissions are expected to continue arriving here until middle of March.

Many of the briefs are said to be outspoken and bitter in their complaint against administrative practices at U.S. border points. Time after time, Canadian manufacturers find that local or regional rulings bar Canadian goods from the U.S. market, irrespective of the terms of tariff or other "statutory" barriers.

The briefs indicate that Canadian industry favors retention in whole or part, of the existing British preference. There is also considerable evidence of wartime expansion of industry and a strong desire to retain or extend not only exports, but also a much larger share of the domestic market. A great deal of new and useful material on present-day trade and industrial conditions in Canada has been gathered.

A group of trade experts headed by Hubert R. Kemp is busy preparing the monumental "Black Books" to spearhead Canadian trade negotiations when they start in a few months time. This work is being done by the Commercial Relations Division of the Department of Trade and Commerce. Actual compilation is in the hands of Arthur Neal, formerly of the Trade division of the Dominion Bureau of Statistics.

When these voluminous trade studies are complete, there will be one or more "black books" for each one of the 14 "nuclear" nations recently invited by Washington to negotiate a new trade treaty in the near future. The countries in question accounted for 85% of total Canadian trade in the pre-war period. They are: United States, United Kingdom, Australia, South Africa, New Zealand, Belgium, France, Russia, China, Brazil, Cuba, Czechoslovakia, Netherlands, India.

For each country, the "black book" will list by individual commodities, every item of goods which Canada has sold there in the past, or hopes to sell in the future. As well, there will be appended on each commodity page, a statement of present tariffs or other trade regulation affecting that item as well as a statement of actual trade with Canada and other leading suppliers.

British Columbia to Pay 53% of Education Costs

VICTORIA (Staff) — British Columbia will assume approximately 53% of education costs, under legislation forecast at the opening session of the province's 21st Legislature here. Other measures announced, include:

1. Initial action on the Sloan Report on forest resources will be to determine government competence to impose a severance tax on timber cut by purchasers of Esquimalt & Nanaimo Railway timber land.
2. A further $10 millions will be asked for the B.C. Power Commission's rural electrification and power development program. The commission's first project—a major hydro-electric power development on Vancouver Island—is now well under way.
3. Separate departments of health and welfare, too large and important for continuation under the Provincial Secretary, will be established.
4. The P. G. E. Railway Aid Act of 1925 will be repealed, saving over 16 million acres of land for the province. The act now authorizes heavy land grants as an inducement to development of the railway by outside interests. Fate of the railway itself, under investigation for some time by a seven-man committee, is not expected to be determined at the present session.
5. Assistance will be given municipalities in connection with slum clearance. Plan is to assume 25% of such costs, with 50% already promised by the Dominion Government.
6. A Probation Act will provide for "supervision of persons convicted, and employment and conduct and general conditions under which they shall be placed during the period of probation."
7. Important highway and public building programs. Extension of the Vancouver Island Highway to the northern end of the island is being sought.
8. A land clearing scheme, already started, and designed to assist farmers to bring more acreage under production, will be expanded.

The government has not indicated what action will be taken on labor and liquor questions. Labor groups are asking a 40-hour week, a 60-cent hourly wage minimum, union check-off, vacations with pay, $50-a-month old age pensions at 60, and Workmen's Compensation Act changes. Sale of beer and wine in hotel dining rooms, has been widely discussed.

The financial statement for the year ended March 31, 1945, showed record revenue of $40,813,808. Expenditures, authorized at $35,667,259, totalled $33,908,889, leaving a surplus of $6,904,919.

Ask Hot Rolled Strip Mill Be Established at Sydney

From Our Own Correspondent

SYDNEY — Dominion authorities are investigating the possibilities of a hot rolled strip mill at the Sydney steel plant, in line with recommendations of the MacGregor Dawson Royal Commission.

Curtailment of receipts of secondary steel supplies due to the United States steel strike, has strengthened damands for such action.

Canada depends on the United States for 75% of her tin plate alone, a product which could be manufactured in the proposed plant. It would give employment to 1,500, and draw many secondary industries, it is maintained.

Ready Reckoner Eases Income Taxpayer's Lot

For months, reports from Ottawa have promised Canadian income taxpayers that the new 1945 income tax returns would be greatly simplified, so that making out your income tax return would almost be a pleasure—that is if you feel that way.

But when the new forms appeared, there was only one major change and that in the T1 General return for incomes over $3,000, rather than the T1 Special for incomes under $3,000. The former was given something the latter had had before —a tax table making quick calculations possible. This one change alone, however, will prevent many a headache among hundreds of thousands of taxpayers because actual computation of the tax in the usual way this year is more complicated than ever. This is due to changes in recent budgets to ease the tax burden without changing the actual rates.

For example, the compulsory savings portion of the tax has been eliminated (reduced 50% the year before) and the remaining tax has been reduced 4% for 1945.

If you did not have the ready reckoner, you would have to work out the normal and graduated tax, less deductions, then work out the compulsory savings and deduct them. But the ready reckoner does this all for you (if you are an average taxpayer) to an extent that with a small amount of arithmetic you can arrive at your exact tax. You still have to work out 4% of the tax to give effect to the reduction in the 1945 budget. But that is comparatively simple when the tax itself has been computed.

There are, however, exceptions affecting a substantial number of persons to whom the ready reckoner does not apply. If you: have investment income over $1,500; claim more than seven dependents (eight on the T1 Special), claim any partial dependents, claim an armed forces credit or represent an estate or trust, the tables are inapplicable.

One other difference in both tax returns is the provision for tax recoveries when family allowances are paid. A sample formula for computing them is shown. In addition, each set of tax returns is accompanied by a sheet of instructions.

More Salt Land For CIL Windsor

WINDSOR—Protecting its future supply of brine, Canadian Industries Ltd. purchased 71 acres of land in Sandwich West township from Arthur J. Reaume, at a price of $32,377.50. The land includes rich salt beds, an extension of the present producing salt beds being operated by Canadian Industries Ltd.

Purchase of the land was confirmed by A. J. Moreton, works manager, CIL Alkali division. He said it did not mean there would be a postwar expansion of the salt refinery, largest in Ontario. There are 50 acres in the original field in which there are 21 producing salt wells.

"Production has been and will continue to run on an even basis as we have no intention of expanding the salt refinery," Mr. Moreton said. "The new property has been purchased merely to protect our future supply of brine."

FOREIGN POWER SECURITIES CORP., in the first report to stockholders in several years, says it has been advised that its securities held in France are intact. Properties of the companies in which Foreign Power is interested are understood to be in good condition with the exception of those located in the Lorient and St. Nazaire districts, it is stated. President A. J. Nesbitt says the question of payment of bond interest coupon No. 22, due June 1, 1940, and of subsequent coupons will remain in abeyance. Future of the companies in which Foreign Power is interested is reported obscure, due to the nationalization policy

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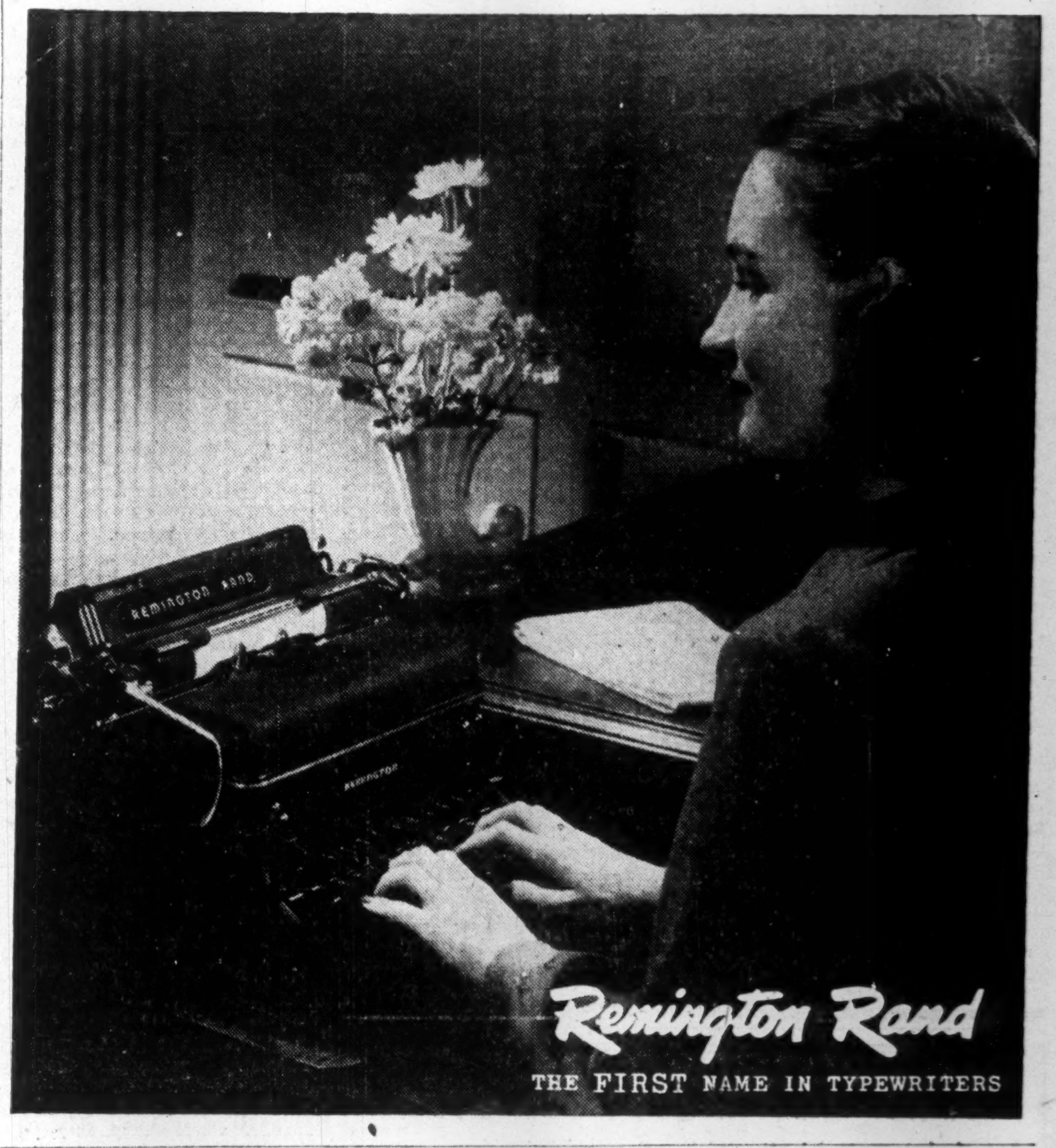

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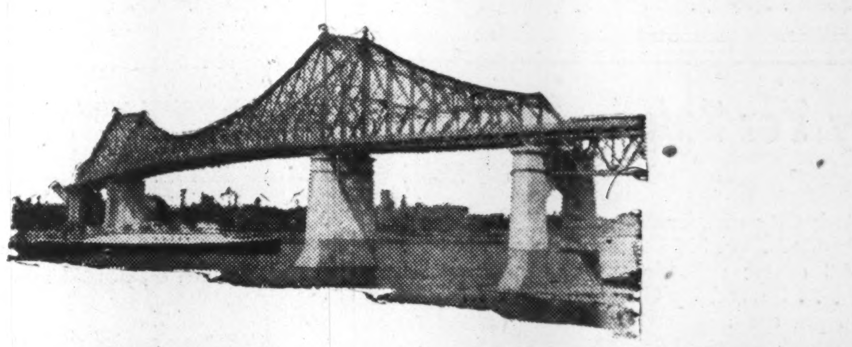

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INVESTMENTS THIS WEEK

Must Boost Volume of Business 71% To Earn Profits As Great As In 1939

This week's sharp break in the stock markets is attributed to many reasons, but the basic reasons is probably doubt that sales can be stepped up high enough to offset higher wages, taxes and other costs.

A calculation by The Financial Post indicates that production of Canadian manufacturers should be about 71% greater postwar than in 1939 to maintain the same amount of earnings for shareholders. Here is how it works out:

In 1939 Canadian industry paid 68 cents out of every sales dollar for wages, materials and supplies. Now industry (allowing for increases in wages and material costs and manufactured goods prices) pays about 75 cents out of every dollar. Output would have to be increased by 28% to counteract the narrower margin

But while in 1939 corporations paid a minimum 20% income tax (Dominion and provincial) on earnings, now they pay a minimum of 40%. This means that earnings before taxes would have to be at least one third higher to equal the 1939 results after taxes.

Taking the 28% boost in volume needed to meet cost rises, together with the one third boost needed to get over the tax hurdle, gives a net required increase in volume of 71% over 1939.

This is the measure of the volume increase needed if earnings per share in 1946 are to equal those of 1939 for industry as a whole.

So far, there is little indication that volume is meeting the need. The production index is only 60% above 1939; retail sales only 62.7% above that year.

While the gain in business could be secured through higher prices instead of increased output, this is prevented on the one hand, by price ceilings, on the other by the fact that some commodities already appear too high-priced to move in quantity.

* * *

See Standard Paving In Strong Position

Standard Paving & Materials enters the postwar market period in a comparatively strong position, a circular released recently by Moss, Lawson & Co., Toronto brokerage house points out. Expected extensive programs of highway construction should mean a period of high activity for the company.

As a result of an extremely conservative dividend policy and the profitable disposal of old equipment, working capital was $452,093 as at March, 1945, compared to $200,928 in 1943. Despite wartime restrictions to business operating profits were shown through the war years and net profit for the year ending March 31, 1945 was equal to $2.03 a share on the preferred, including $1.20 profit on sale of equipment. Application has been made for the upward revision of standard profits.

Since Standard Paving already owned 100% of the common shares of Consolidated Sand & Gravel, the almost complete acceptance by Consolidated Sand preferred shareholders of the exchange offer into Standard Paving preferred shares makes Consolidated Sand virtually a wholly-owned subsidiary without any cash outlay on the part of the parent company, it points out.

* * *

ONTARIO has called its $7½ million internal 3% bonds due Apr. 15, 1948 for redemption on Apr. 15, 1946. This is the earliest date at which the bonds are callable. Government officials have not stated whether a refunding operation will be undertaken. It is suggested that the comparatively low principal amount of the issue might make it possible for the province to meet payments out of cash or sinking fund.

* * *

Dividend on Massey Common Helps Preferred Conversion?

Recent declaration of a 25-cent dividend on the Massey-Harris common stock gives some indication to why many preferred shareholders are taking advantage of conversion privileges.

Officials decline to say whether this dividend (first since 1930) will put the common stock on a regular basis. Investors, however, are apparently taking it to mean that others will follow. Coupled with this is the recent common share earning record which in 1944 was $1.10 and is expected to stay at a high level for 1945. Speculation on the effect which the dividend and earnings will have on the price of the common stock (presently around $16 to $18) is likely responsible for many holders of the 6¼% preferred stock taking advantage of second conversion privileges of 1½ common for 1 preferred.

A company official states many missed out on the first conversion; but transfer agents have already received more than 14,000 shares of the preferred for the second conversion. Preferred shares are convertible at the rate of 1½ common shares for each preference share so long as more than 161,200 preference shares remain outstanding. At Feb. 1, 1946, there were 322,398 preferred outstanding and 1,054,904 common. After this second conversion is completed, there will be 1,296,701 shares of common outstanding and 161,200 preferred.

* * *

Asbestos Corp. Shows Above Average Profits

Asbestos Corp. common at $31 is now selling within range of its 1946 high. At this level the stock is at an all-time high, allowing for the 1939 4 for 1 split.

Working capital again increased in 1945, and in the five years ended Dec. 31, 1945, was built up by 112%. Asbestos had a 7.5% return on net worth after taxes in 1944; a 12.5% return in 1945. Net earnings for other industrials reporting 1945 earnings to date show earnings of 8.4% on net worth against 7.2% in 1944.

President Steele again referred in the annual report to the trend of higher costs as compared with selling prices, and indicated that earnings would be limited as long as this trend persisted.

* * *

Deposit Peller Brewing Shares To Assure Retaining Control

To ensure operation of the recently formed Peller Brewing Co., Hamilton, Ont., as a wholly independent company, directors have placed their total number of shares (the controlling interest) in escrow with the Royal Trust Co. for a five-year period, it is stated. In recent years the breweries located in Hamilton and in other localities in the Niagara Peninsula were purchased by certain interests closed down, it was pointed out. Share units of four preference and eight common shares are still being offered at $100 a unit. Construction of the modern brewery building is said well in advance of the building program (see The Financial Post Nov. 24, 1945).

Taxes Continue to Absorb Bulk of Corporate Income

In 1945 shareholders received in dividends a smaller proportion of corporate income than they did in 1944. This trend is revealed by an analysis of the first 24 corporation reports for fiscal 1945 to be published. These show that federal taxes took 61.7% of the net income dollar, dividends took 24.6% and retained net income represented 13.7%. For 1944 these proportions for the same companies were: federal taxes, 57.5%; dividends 28.2%, retained income 14.3%.

Division of Corporate Net Income

	1945	1944	1940-43
Federal taxes paid	61.7%	57.5%	47.0%
Dividends paid	24.6%	28.2%	33.5%
Retain. net income.	13.7%	14.3%	19.5%

Actually the shareholders net yield has been cut even more than these figures suggest since any corporate net income, after taxes, that is distributed in dividends is again subject to tax at the high federal individual income and surtax rates.

Certain other conclusions on corporate earning power in 1945 are revealed from the statements studied. While net earnings before depreciation and income taxes were up 15.1% from 1944, and working capital up 11.5%, net earnings after taxes as a percentage of net worth continued to decline. In 1945 the percentage return on net worth for these companies, before taxes, was 21.9%: after taxes it was 7.7%. In 1944 these companies earned at a 19.5% and 6.9% rate respectively.

Earnings Of Brazilian Seen Around 1944 Level

Operating Earnings Are Down Nine Cents a Share But Investment Income Expected to Be Up — Gross Earnings at New High

Brazilian Traction Light & Power Co., shows 1945 net operating earnings down 1.97%, but net earnings after all charges and write offs will be about comparable to 1944 ($3.12 a common share) The Financial Post estimates.

If the decrease of $604,792 in operating earnings was carried through to net earnings, it would mean a drop of nine cents a common share. But the officially reported earnings are "subject to depreciation, amortization and capital charges," and to final adjustment when the annual report is prepared. Actual results depend on the company's year-end decisions.

However, charges for depreciation and renewals and for bond interest have shown a small reduction each year since 1942. Further interest on investments will likely be higher, as holdings of government bonds were $36.9 millions at the end of 1944, nearly double 1943's $18.7 millions. Although it is not known what securities are held, if 3% interest on the $36.8 millions is assumed, it would indicate an interest income of $1.1 millions ($409,329 in 1944).

Consolidated gross earnings for 1945, at $65,150,898 will be highest in the company's history, up 11.67% from the previous high in 1944. Operating expenses, however, were up 26.89%, due largely to heavier wage costs. It is hoped 1946 wages will be partly offset by an increase in rates, but this will not likely be reflected in results for about four or six months.

Election of the new Brazilian President has not affected operations of Brazilian Traction, The Financial Post understands. Reports indicate that the new cabinet ministers are of conservative views, which would appear to be a favorable factor for the company. However the new government is ruling by decree until it has finalized a new constitution, which may take at least eight months.

Actual operating results for December and for the year 1945 are as follows.

Dec.:	1945 $	1944 $	Incr. %
Gross earns. ..	5,693,422	5,062,595	12.5
Oper. exps. ..	3,641,779	2,413,879	50.9
*Net earns....	2,051,643	2,648,716	**22.5
Twelve Months:			
Gross earns. ..	65,150,898	58,342,514	11.7
Oper. exps. ..	34,985,560	27,572,384	26.9
*Net earns. ...	30,165,338	30,770,130	**1.9

*Subject to depreciation, amortization and capital charges.
**Decrease.
Operating results as shown in dollars are taken at average rates of exchange.

Mtl. Refunding Deal Delayed

MONTREAL (Staff)—Due to the belief that present and prospective money markets should mean better credit terms, the City of Montreal has postponed its proposed debt refunding, originally scheduled for May 1, probably to Sept. 1.

Montreal's attitude is believed typical of the feeling of other prospective borrowers that higher prices and lower yields for Canadian bonds are probable both in Canada and in the U. S. The recent striking rise in Dominion 3% bonds is attributed to this same feeling.

The city planned a $85,980,000 issue in the U. S. to refund U. S.-pay bonds and a $70.5 millions refunding issue in Canada. The refunding was calculated to save Montreal $8.5 millions by 1975.

Original bids were 97.2955 for the U. S. bonds with coupons from 1¼% to 3¼% from a syndicate headed by Harriman, Ripley & Co. and 98.651 for the internal bonds with coupons from 1½% to 3½ from a Canadian syndicate.

During the discussion of the proposed refunding an alternative offer of 98.75 for the U.S.-pay debentures was received from Cyrus S. Eaton, Canadian-born head of Otis & Co., Cleveland investment firm, on behalf of another U. S. syndicate of 86 firms. This is believed to have brought the rate question to a head.

In making the offer, Otis & Co. said they were confident that the city could obtain an ever higher price by calling for sealed bids to be opened in the presence of the bidders and agreeing to award the bonds to the highest bidder. This may indicate that the Montreal refinancing has brought to Canada the controversy over the sealed tender system of selling bonds which Otis & Co. have been urging in the U. S.

As time was too short before the next interest date to complete all details, it was decided to defer the refunding in the hope of getting better offers.

London Life to Pay Industrial Dividend

London Life Insurance Co. will pay a special dividend of $1.1 millions to holders of industrial policies issued before 1939. The distribution will take the form of additional paid-up insurance, totalling $2.5 millions. This was made possible by favorable mortality experience among industrial policyholders both during and before the war, and by lowered operating costs.

FOUND LAKE GOLD MINES, LTD., has announced it has purchased from Elleo Finance Corp., the underwriters of Midd-Pershing Gold Mines, Ltd., 100,000 shares of that company at 13½ cents a share.

COMPANY REPORTS

JOURNAL PUBLISHING CO. OF OTTAWA reports 1945 net earnings up 18%; retaining net profit up 6.6% and working capital up 7.7%. Assets were down 1.2%.

Dividend payments, $52,000, were up 44.4%. This represented payment at the rate of $6 per share on the old stock (capital changes were effected July 12, 1945) and 34c. per share on the new n.p.v. stock. As a result of these payments surplus for the year was reduced 32% below the 1944 total.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$174,170	$147,208
Less: Inc. & EPT♦ ...	98,207	75,983
Min. int.	57	......
Net profit*	75,906	71,225
Less: Divds. (old)	18,000	36,000
Divds. (new)	34,000	......
Surplus for year	23,906	35,225
♦Incl. ref. EPT	10,297	6,346

*Note:—Co's. report includes ref. EPT in net profit and surplus for year.

Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$0.76	*$0.71
Incl. ref. EPT	0.86	*0.78
Paid (old)	6.00	12.00
Paid (new)	0.34	....

*Based on new capitalization.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1945	▪1944
Cash	$58,343	$127,626
Accts. rec.	85,672	75,417
Invest.•	440,925	394,457
Inventories	12,257	14,020
Total curr. assets ..	597,197	611,520
Misc. assets▲	187,238	181,467
Fixed assets†	334,046	339,038
Total assets	1,118,481	1,132,025
Bank loan, sec.	......	75,000
Accts. & tax. pay. ...	136,276	108,498
Total curr. liab. ...	136,276	183,498
Invest. & cont. res. ...	133,638	133,638
Min. int. in subs.	2,954	4,891
Capital stock	300,000	300,000
Surplus▲	545,613	509,998
†After depr. of	376,515	370,999
•Market value	444,000	370,000
▲Incl. ref. EPT	22,143	11,846
Working capital	460,921	428,022

▪Pro forma after giving effect to capital change of July 12, 1945, and repayment by sundry debtors at Dec. 31, 1944.

THIRD CANADIAN GENERAL INVESTMENT TRUST LTD. shows an improved position in 1945 with net profit up 9.7%; total assets up 6.1%; earned surplus up 10%, and net asset value per share up 18.3%. Company investments were carried in the balance sheet at $1.9 million. some 41% below market prices, Rt. Hon. Arthur Meighen, president, stated. The securities portfolio consists of 120 individual issues and is represented by common shares in the amount of 33.4%; preference shares 39.6%; bank and trust co. shares 16%; bonds and debentures 6% and cash 5%.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Total income	$161,576	$149,412
Less: Manage. fee ...	7,167	6,750
Other fees & misc...	2,607	3,575
Inc. tax res.	1,806	2,306
Net profit	149,996	136,781
Less: Dividends	120,989	114,449
Surplus for year	29,007	22,332
Earnings per Share and Dividend Record:		
Earned	$0.23	$0.21
Paid	0.18½	0.17½
Net asset val. per sh.	$5.10	$4.29
Capital gain†	98,286	83,034

†Net profit on securities sold, added to capital surplus.

BALANCE SHEET

As at Dec. 31:	1945	1944
Cash in bank	$103,990	$618
Secs. sold	1,575	......
Marketable secs.*	1,901,616	1,879,004
Other invests.	......	11,600
Accr. int. & divs.	26,163	25,421
Total assets	2,033,344	1,916,648
Bank loan	......	10,000
Misc. liabilities	362	1,377
Invest. res. (mines) ..	11,568	9,645
Inc. tax res.	1,550	3,050
Capital stock	653,994	653,994
Cap. surplus	1,050,118	951,832
Earned surplus	315,752	286,745
*Market value	3,215,122	2,803,722

DONNACONA PAPER CO. reports 1945 net profit up 5.6% from 1944. Net working capital was down 7.3% because of $886,428 in capital expenditures on properties during the year. Earned surplus was up 10.3% over the previous year. The standard profits base was set during the year.

President R. P. Kernan stated that the 1946 program of plant extensions and betterments would be completed by April 1 and would result in increased mill productive capacity and efficiency with substantial saving in manufacturing costs. Operations in 1945 were limited to 1944 levels due to insufficient pulpwood supply, but added efficiency and a moderate advance in selling prices enabled the company to offset higher manufacturing costs.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$1,354,379	$1,314,688
Less: Depr. & depl. ..	548,169	548,206
Bond interest	267,335	276,190
Notes interest	......	16,567
Income tax res.• ...	249,714	200,000
Net profit	289,161	273,725
Less: Dividends	188,286	188,286
Surplus for year	100,875	85,439
•Incl. ref. EPT	22,547	......
Times Bond Int. Earned:		
Before depr. & depl.	5.07	4.76
After depr. & depl.	3.02	2.78
Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$0.77	$0.73
Incl. ref. EPT	0.83	0.73
Paid or payable..	0.50	0.50

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & Dom. bonds..	$622,304	$524,115
Accts. rec.	786,210	747,434
Inventories	2,457,995	2,265,604
Total curr. assets ..	3,866,509	3,537,153
Bonds held for s. f. ..	82,000	......
Misc.*	84,572	67,546
Fixed assets	12,925,362	12,218,790
Total assets	16,958,443	15,823,489
Bank loan	496,000	100,000
Accts., tax., etc. pay..	1,161,962	990,465
Total curr. liab. ...	1,657,962	1,090,465
1st mtge. bonds	5,350,000	5,350,000
Serial notes	510,000	510,000
Deprec. res.	6,011,425	5,567,390
Capital stock	2,107,860	2,107,860
Surplus*	1,321,196	1,197,774
*Incl. ref. EPT	22,547	......
Working capital	2,208,547	2,446,688

IMPERIAL TOBACCO CO. OF CANADA net profit rose .5% for 1945. Working capital is down slightly, due in part to a reduction in bond holdings and increase in tax provision. Refundable EPT is shown in the balance sheet at $1,034,210 at Dec. 31.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Oper. profit	$9,160,521	$8,585,910
Add: Invest. inc.	1,931,721	1,421,600
Less: Deprec.	189,793	111,495
Bond int.	335,000	335,006
Bond disc.	......	59,937
Income tax♦	4,785,287	3,751,084
Net profit	5,782,162	5,749,988
Less: Pref. divs.	481,800	481,800
Ordinary divs.	3,780,412	3,780,413
Surplus for year▲	..1,519,950	1,487,775
♦Incl. refund. EPT.	385,587	175,153

▲Subject to final dividends paid in following year.

Times Bond Interest Earned:		
Before deprec.	33.11	29.87
After deprec.	32.54	29.54
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$3.50	$3.48
Incl. ref. EPT	3.74	3.59
Paid	0.292	0.292
Ord: Excl. ref. EPT	0.56	0.56
Incl. ref. EPT	0.60	0.58
Paid‡	0.55	0.55

‡Includes final dividend of 15c. applicable to prior year.

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & Dom. bonds .	$6,197,261	$12,379,769
Accts. rec.	656,207	484,757
Inventories	21,549,910	16,875,895
Total curr. assets ..	28,403,378	29,740,421
Invest. in subs.	28,001,565	26,080,095
Misc. assets▲	1,161,552	735,108
Fixed assets	6,413,820	6,331,834
Goodwill, etc.	28,816,801	28,816,801
Total assets	92,797,116	91,704,259
Accts., tax., etc. pay.	10,006,288	9,533,034
Accr. pref. divds. ...	120,450	120,450
Total curr. liab. ..	10,126,738	9,653,484
Empl. benev. fund ..	1,368,146	1,368,146
Funded debt	10,000,000	10,000,000
Deprec. res.	6,079,811	5,926,175
General res.	5,000,000	5,000,000
Capital stock	55,285,160	55,285,160
Surplus▲	4,937,261	4,471,294
▲Incl. refund. EPT.	1,034,211	638,655
Working capital ...	18,276,640	20,086,937

DOMINION FABRICS LTD. and wholly owned subsidiary Dominion Yarns Ltd. net profit last year dropped slightly from 1944. President Thos. Camelford states that the price of cotton continues very high and adjustments of cotton costs were made under arrangement with Commodity Prices Stabilization Corp. During 1940 to 1945 approximately 10% of the business was for war purposes. Refunds, if any, resulting from renegotiation of contracts, are expected to be of a minor nature. Plans call for fairly extensive purchase of new machinery when available. Public demand for products continues high.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net oper. profit	$262,118	$259,325
Less: Deprec.	35,929	34,715
Prov. for taxes♦ ...	94,000	91,000
Net profit	132,189	133,610
Less: 1st pf. div.	27,000	27,000
2nd. pf. div.	30,000	30,000
Common div.	56,000	56,000
Surplus for year	19,189	20,610
♦Incl. refund. EPT.	642	......
Earnings per Share and Dividend Record:		
1st pref.:		
Excl. ref. EPT	$14.69	$14.85
Incl. ref. EPT	14.76	14.85
Paid	3.00	3.00
2nd pref.:		
Excl. ref. EPT ...	5.26	5.33
Incl. ref. EPT	5.29	5.33
Paid	1.50	1.50
Com.: Excl. ref. EPT	1.07	1.09
Incl. ref. EPT ...	1.08	1.09
Paid	0.80	0.80

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & Dom. bonds..	$456,064	$339,700
Ins., & misc., invest..	13,033	12,373
Accounts rec.	144,633	257,444
Inventories	277,702	222,352
Total curr. assets ...	891,432	831,869
Misc. assets▲	20,314	20,160
Fixed assets*	364,872	388,714
Total assets	1,276,618	1,240,743
Bank overdraft	......	3,783
Accounts & taxes pay.	87,620	75,725
Dividend pay.	28,250	28,250
Total curr. liabilities	115,870	107,758
Capital stock	467,500	467,500
Surplus▲	693,248	665,485
*After deprec. of...	1,052,137	1,019,207
▲Incl. refund. EPT..	14,119	13,477
Working capital	775,562	724,111

FIRE INSURANCE CO. OF CANADA shows an increase of $14,000 in net premiums written in its report for 1945. Net profits were $64,207 ($69,393 in 1944). Loss ratio was 50.80% (46.88% in 1944). Surplus was $663,196, up $15,598. Total assets rose $84,000 to $1.9 millions.

	1945	1944
Net premiums	$364,867	$350,350
Net profits	64,207	69,393
Pd. sh'holders	30,000	30,000
Liabs. to p'holders..	556,083	486,075
Other liabs.	184,331	185,432
Sh. equity	500,000	500,000
Total assets	1,903,612	1,819,106
Surplus	663,196	647,598

AMERICAN AUTOMOBILE INSURANCE CO. reports increased assets and reserves for 1945. Of total assets, $4 millions is in cash and $15.9 millions U. S. and Canadian securities with $16 millions in stocks. The company operates in Canada under management of Shaw & Begg Ltd. and has on deposit with the Receiver-General $710,000 for protection of Canadian policyholders.

Total assets	$40,867,830	$34,443,984
Liabs. to p'holders..	21,667,788	19,452,743
Other liabs.	1,788,385	1,704,806
Sh'holders equity ..	2,000,000	2,000,000
Surplus	15,411,657	11,286,434

MUTUAL BENEFIT HEALTH & ACCIDENT ASSOCIATION shows an increase of $11.2 millions in assets for 1945. Premium income was up $8.3 millions. Of total assets, $1.9 millions is on deposit with the Receiver-General at Ottawa for protection of Canadian policyholders. The association began operating in Canada in 1935. Since incorporation in 1909, it has paid to policyholders and beneficiaries $159 millions.

	1945	1944
Premium income ..	$50,091,802	$41,743,810
Total assets	49,988,279	38,735,518
Liabs. & res.	34,464,230	26,434,399
Surplus	15,524,049	12,301,119

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Please give all details in the first instance by letter.

GARBER, COSSMAN & COMPANY — Advertising
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Property For Sale ...

INDUSTRIAL SITE

Centrally located; City of Toronto, south of Davenport Rd. Frontage Dartnell Ave. 572 Ft., Kendal Ave., 336 Ft. Vacant land 4.3 acres; suitable for warehousing or manufacturing ... Served by C.N.R. siding ... Sale Price $25,000.00 per acre.

Early possession can be arranged ... For Plans and further particulars contact your Real Estate agent or

DOMINION STORES LIMITED
TORONTO Tel. Ad. 7331

MAN WANTED

Established firm with branches in Western Canada and London, England, handling numerous lines of British goods, requires sales representatives for Toronto, Montreal, Vancouver and Maritimes.

Full time work with good prospects. Activities cover manufacturers' agency and wholesale distribution. Hardware or mechanical knowledge desirable but not essential. Contact with hardware trade or industrials beneficial. Successful applicants will be given full charge of development if they have necessary ability.

Good education and background essential. Accounting knowledge valuable as position will develop from selling to organizing and managing in larger centres, and then to Provincial supervision.

This is a good opportunity for a man of ability, capacity and vision to start at the beginning in a new territory with high grade British goods that have already been established in other parts of Canada. New lines will be added from time to time.

Advertiser is progressive and handles only good quality products.

Please give fullest particulars regarding personal statistics, education, experience, remuneration expected and present employment.

A small established organization that could be absorbed would be considered.

BOX 156, THE FINANCIAL POST, TORONTO

We have pleasure in announcing that

Col. W. J. H. Ellwood, M.C., E.D.,

has become associated with us in our Montreal Office

Gairdner & Company
Limited

Members Investment Dealers Association of Canada

Toronto Hamilton Montreal Quebec City

We are pleased to announce that

Wing-Cmdr. R. L. PUXLEY

has resumed his connection with this Company after nearly six years' service with the R.C.A.F. and is available for consultation and advice on life insurance problems.

SUN LIFE of CANADA

Mount Royal Branch Phone: PL. 3131 — Sun Life Building Montreal, Que.

Canadian Government, Municipal and Corporation Securities

In matters relating to investment or the underwriting and distribution of securities, the facilities of our organization are always at your disposal.

Security offerings furnished upon request.

Wood, Gundy & Company
Limited

Winnipeg TORONTO Vancouver
Ottawa Montreal New York Victoria
London, Eng. Hamilton Kitchener London, Ont.

Unusual Investment Opportunity

New Canadian Corporation requires $60,000 pending stock issue to be made later. The above amount will be accepted on a partnership basis.

Private company is preparing to manufacture, in Toronto area, highly developed prefabricated housing sections based on SUCCESSFUL United States patents.

Advanced engineering principles, plus revolutionary production and assembly methods assure wide national and export market. Commercial buildings and houses to be manufactured have a value in their price range hitherto unknown in Canada. Deliveries expected to begin in 1946.

BOX 160, THE FINANCIAL POST

SMOOTH SAILING

The knowledge and experience gained by our seasoned staff through intelligent research and analysis are designed to give investors smooth sailing on carefully charted financial seas.

We shall be glad to give you our selections.

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Vancouver Stock Exchange
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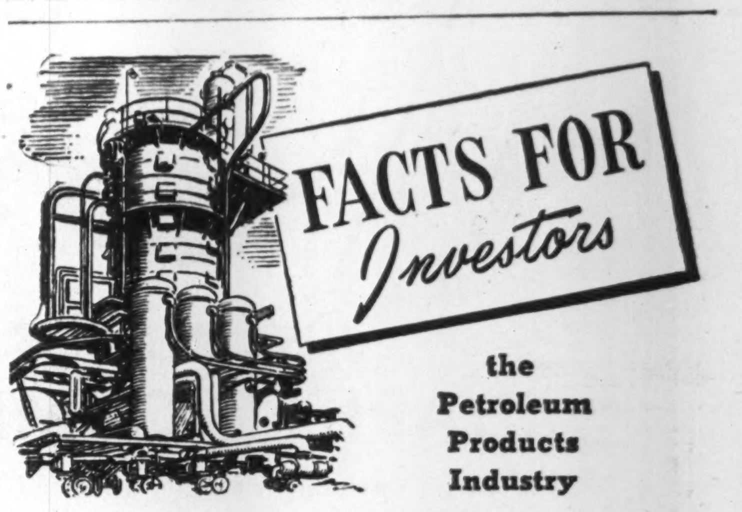

the Petroleum Products Industry

● In less than two generations, the refining and distribution of gasoline and allied products has become firmly established as one of Canada's leading industries.

Still growing rapidly, the gross value of petroleum products manufactured in Canada during the past six years has increased by 89%. Capital employed in the industry during this same period showed an increase of $25,916,393.00.

The expansion of this industry is illustrated in the growth of Canadian Oil Companies Ltd., a company with whose financing this House has been closely associated. Today the Company operates a large modern refinery, owns a fleet of tank cars and trucks, a tank steamer, a crude oil terminal, a marine storage terminal, and a chain of retail outlets extending from the Atlantic to the Rockies.

The wide experience of this House in the underwriting and distribution of securities is available to industry and investors alike.

NESBITT, THOMSON & COMPANY, LIMITED
355 St. James Street, West, Montreal
Branches in the principal cities of Canada

291A

Favor Payroll Savings As Permanent System

Majority of Employers Would Continue Plan After Victory Bond Deductions End — Workers Said Less Unanimous on Proposal

By KENNETH R. WILSON

OTTAWA—Nine out of ten Canadian employers favor some form of government facilities for payroll savings after Victory Loan deductions expire.

This is the highlight statistic of a countrywide questionnaire mailed in mid-November to 5,600 firms who have on their payrolls nearly 1.4 million workers. Over 2,000 replies received, represented nearly 800,000 or nearly 60% of the total.

In some cases the replies were sent after consultation with employees.

A similar survey is now under way to canvass opinions of employees themselves.

The question asked employers under signature of Graham F. Towers, general chairman of the National War Finance Committee was:

"Do you believe facilities should continue to be provided by the government, after conclusion of Victory Loan operations, for an Employees' Payroll Savings Plan for investment in government securities?"

A covering letter pointed out that the 9th Victory Loan and War Savings Certificates would provide for investment of employee's savings until Nov. 1, 1946. After that "no definite plans have been made."

Seek Workers' Views

Ottawa is now also seeking opinions from employees, particularly such groups as the civil service, institutional employees, etc.

A number of important specific suggestions put forward by employers, may be summarized as follows:

1. Present preference among employees was said to be for bonds rather than War Savings Certificates, which lack "negotiability."

2. Many employers urged that bonds of "smaller" or $25 denomination, be made available.

3. One employer suggested a sliding scale coupon rate which would give greater incentive to those who continued to hold their bonds, viz: a 1% rate for 1 year; 2% for 2 to 3 years, etc.

Objections raised by a small minority, to continuation of a government - sponsored savings plan after 1946, centred largely around two points:

1. Effect on "take-home" pay.

2. Undue cost and trouble to employers, as compared to benefit for worker.

Employers "Do the Work"

One large Canadian employer reported that reaction to a further savings plan was not "favorable" among workers. It was stated that one of the big present-day problems is the number of individual deductions made from a worker's pay envelope. Deductions for savings tended to become another of these, and increased agitation for larger take-home pay. One suggestion was the privilege of cancellation of the contract on short notice and of withdrawing accumulated savings on demand.

A few firms stressed the cost to their organization of this type of program. One employer said his firm didn't mind doing this during the war but even then it had "grated" to have the firm do all the bookkeeping and most of the "selling," yet at the same time to see a security or other official "salesman" get the commission. One firm suggested that if the plan were to be continued, a 1% allowance be made to employers for the cost of looking after the plan.

One or two firms said they would approve the plan if the savings thus brought together were put to a specific purpose such as old age pensions, purchase of government annuities, etc.

Women workers, it was thought by some employers, would be the most enthusiastic supporters of continuation of the plan.

A. W. DENNY

has been appointed vice-president in charge of production, of the Goodyear Tire and Rubber Co. of Canada.

R. W. RICHARDS

has been appointed vice-president in charge of sales of the Goodyear Tire and Rubber Co. of Canada.

CCF Plans Curb On Professions

From Our Own Correspondent

REGINA—The CCF Government has indicated that it plans to give the professions and semi-professions a thorough going over.

The Legislature Law Amendments committee is to survey all the "professional acts" on the statute books. The aim, it is reported, is to curb some of the powers of professional groups set up by doctors, engineers, dentists.

A mass descent on the law amendments committee is anticipated, as every profession affected—and there are about a dozen—will have representatives and counsel to defend their legislation.

More Unions Get Accords On Bargaining

From Our Own Correspondent

REGINA—In the first year of operation, the Saskatchewan labor relations board, which administers the Trade Union Act, granted 108 collective bargaining applications, affecting 6,623 workers.

The bord's operations, it is estimated, have increased the number of employees covered by collective bargaining agreements, by more than 40%.

In the same period 30 applications affecting 1,624 employees, were dismissed; 28 applications were withdrawn and eight were pending on Dec. 31, 1945.

Seven applications for orders requiring employers to refrain from unfair labor practices or violations of the Trade Union Act, were granted; two were dismissed, and nine were withdrawn.

Five applications for conciliation boards were made. Boards were set up in two cases, but did not effect a settlement.

Ask Manitoba Assist Co-ops

From Our Own Correspondent

WINNIPEG—Manitoba Federation of Agriculture, has asked the province to set up a co-operative branch as part of the department of agriculture.

Last midsumer there were 665 co-operative societies in Manitoba, including credit unions, with total membership of 145,885. Net membership was estimated at 43,000, as many are members of two or more groups.

The Federation wants a setup similar to that in Alberta, Saskatchewan, or Quebec. It suggests the co-operative branch have a supervisory staff of at least four to assist groups wishing to organize co-operatives; assemble their financial statements and prepare statistics; examine financial statements to detecting and check undesirable tendencies; and inspect credit unions. One official now has the entire responsibility of looking after incorporation of co-operatives and credit unions. Financial statements of credit unions are submitted each year to a registrar who is an official of the Government. Co-operative associations, however, are not required to file statements.

CCF Bid Alberta Socialize Power

From Our Own Correspondent

EDMONTON—Immediate expropriation of all electric transmission lines and power sites in Alberta, "with due compensation to present owners," was urged in the legislature by Elmer E. Roper, CCF leader. He asked that the province make grants-in-aid equal to 50% of the costs of constructing rural power lines as a measure of aid to agriculture.

Mr. Roper advocated construction of $30 and $40 millions worth of roads in the next year or two, to be paid for over five or six years out of motor license fees and gasoline taxes.

To Widen Powers Of Medical Co-ops

From Our Own Correspondent

REGINA—The medical co-operatives, one of the fastest growing type of co-ops in Saskatchewan, are due to get a boost from the Saskatchewan legislature.

A bill before the legislature will give power to buy, sell or lease property; acquire shares in similar co-ops, enter into reciprocal arrangements and agreement with any government authority, and to obtain privileges and concessions.

It will also empower the co-ops to enlarge the area of operations. Under present conditions, medical co-ops are restricted to the territory for which they were incorporated.

The bill would also empower the co-ops to operate drugstores and optical houses.

German Device May Simplify Dairying Here

From Our Own Correspondent

EDMONTON.—A German butter machine, which may revolutionize the dairying industry, is being tested for use in Canada, Dr. E. G. Hood, chief of dairy research for the Dominion Department of Agriculture, told Alberta dairymen at their 25th annual convention.

One small German-made unit takes in whole milk and turns out butter. It has a reported capacity of 990 pounds of butter an hour, while a larger type, it is estimated, can produce 4,000 pounds an hour. Such machines would eliminate churning as known in Canada, it was stated.

Prefab Group Get CPAL Plant

VICTORIA (Staff) — George Murphy & Associates, Portland, Ore., will probably establish their prefabricated homes industry in the vacant Canadian Pacific Air Lines aircraft repair plant at New Westminster, B.C. Previously they had sought the Boeing plant at Sea Island, feeling that the CPAL plant did not provide adequate space.

CONSTRUCTION on the new Quebec-Ste. Anne de Beaupre highway, already well advanced, will be continued during the coming summer, in an effort to complete the road.

U.S. Trailer Firm Sets Up at Windsor

From Our Own Correspondent

WINDSOR — Establishment of a Canadian subsidiary of Trailmobile Co. of Cincinnati, Ohio, to be known as Trailmobile (Canada) Limited, with offices and plant at Ojibway, near here, was announced by Fred W. Davies, vice-president and general manager of the Canadian branch.

The Ojibway plant will handle complete manufacture of units for sale in Canada and will also be the export division for the parent company. The company will produce commercial truck trailers with capacities from 18,000 to 34,000 pounds, lightweight units, tandem units and heavy duty platform trailers. The company now employs 30 men. The payroll will be increased as production is upped.

Formerly occupied by Ford Motor Co. of Canada for servicing universal carriers during the war, the plant, located on Steel Co. of Canada property, has been leased through War Assets Corp.

Mr. Davies said $100,000 in Canadian capital is invested in the company, which is occupying a one-story building containing 15,000 square feet of floor space which will accommodate offices, assembly lines and shipping departments.

Marketing Course To Be Resumed

"What's new in Marketing?" is the title of the eighth Marketing Course, sponsored by the Advertising & Sales Club of Toronto, and the University of Toronto. The course opens March 19.

The subject of the first lecture is "Marketing's Role in the Standard of Living," by Floyd S. Chalmers, executive vice-president, Maclean-Hunter Publishing Co. Limited.

Other lecturers will be Don Francisco, vice-president, J. Walter Thompson Co. Inc., his subject being "Does Distribution Cost Too Much?"; Donald R. G. Cowan, consulting economist in marketing, Cowan, Green & Associates, Cleveland, on market research; Ross Baxter Willis, Western University on the role of the retailer in an expanding market; Burton Bigelow on sales training; G. Walter Brown, executive vice-president of Bristol-Myers Co. on advertising.

The lectures this year will be held in Convocation Hall, and a record attendance is expected, comprising executives and salesmen interested in all phases of modern marketing.

Howard Joins Board Anglo-Newfoundland

MONTREAL — W. H. Howard, K.C., has become a director of Anglo-Newfoundland Development Co., of which Elliott Little is president and F. J. Humphrey chairman of the board.

CANADIAN CAR & FOUNDRY CO. convertible noncallable class "A" shares have been admitted to trading on the unlisted section of the Montreal Curb Market, pending receipt and approval of formal listing application on the Montreal Stock Exchange.

ability to act

The ability to act promptly in your estate interests springs from the fact that it is the business of the Toronto General Trusts to be an executor and trustee. With a friend or relative, the administration of your estate must always be superimposed on his other responsibilities, and may come on his hands at a particularly difficult moment for him to give it adequate attention. This Trust company never has *to work up* to taking complete and competent charge of your estate. You may be sure that from the first moment your family affairs are receiving skilful handling—handling that will avoid the mistakes and expensive delays which are the result of having to feel for the proper course of action to take. We invite your inquiry about our services.

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We are pleased to announce that
Mr. David E. Cumberland
has returned to his former position with this firm after an absence of five years.

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R. M. HARCOURT & COMPANY
Announce that
A. G. POUPORE
is again a partner in this firm.
★
The name of the new Company is
HARCOURT POUPORE & COMPANY
Members: The Toronto Stock Exchange
CANADA PERMANENT BUILDING
320 BAY STREET
TORONTO — EL. 1362

These debentures having been sold, this advertisement appears as a matter of record only.

$1,250,000
Greater Vancouver Water District
2%, 2¼%, 2¾%, 3% INSTALLMENT DEBENTURES

Dated March 1st, 1946 — *To Mature March 1, 1948-1971 Inclusive.*

These debentures constitute a direct joint and several obligation and liability of the Greater Vancouver Water District and of the City of Vancouver and the other municipalities within the District.

THE PURPOSE OF THE ISSUE
The purpose of the issue is to provide in part funds for an additional water pipe line from Seymour Falls to the Second Narrows of Burrard Inlet; for the construction of a pipe line across the Second Narrows, and for other works of the District.

LAUDER MERCER & COMPANY LTD. — BURNS BROS. & DENTON LIMITED

TRADING DEPARTMENT

MR. N. H. GUNN, A DIRECTOR OF THIS FIRM IS IN CHARGE OF THE TRADING DEPARTMENT, AND HAS ASSOCIATED WITH HIM THE FOLLOWING PERSONNEL.

W. G. PEPALL, R. J. GALLOWAY, DOUGLAS MANN — TORONTO
W. HAMILTON deBURY — MONTREAL

BELL, GOUINLOCK & CO.
LIMITED
ESTABLISHED 1920
MONTREAL — TORONTO — WINNIPEG

THE
TRUSTS and GUARANTEE
COMPANY, LIMITED

Summary of Affairs as at 31st December, 1945

BOARD OF DIRECTORS
Chairman of the Board
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President
ARTHUR F. WHITE
Vice-Presidents
COL. THE HON. H. A. BRUCE, M.D., F.R.C.S. (Eng)
C. S. HAMILTON
H. A. HOWARD
JOHN A. McDOUGALD
Directors
W. M. ARCHIBALD
W. D. BELL
HON. G. P. CAMPBELL, K.C.
CHRISTIE T. CLARK
F. J. CRAWFORD
P. C. FINLAY
THAYER LINDSLEY
GORDON W. NICHOLSON
LT.-COL. W. E. PHILLIPS
MAJOR EDMUND SWEET, K.C.
COL. ERNEST WIGLE, K.C.
E. GORDON WILLS
General Managers
C. S. HAMILTON, Toronto, Ont.
H. A. HOWARD, Calgary, Alta.

SHAREHOLDERS CAPITAL AND SURPLUS invested in:	
Mortgages, Agreements For Sale	$ 479,532.16
Bonds, Stocks, Debentures	928,172.59
Loans on Stocks, Bonds, etc.	138,358.53
Advances to Estates	37,100.43
Other Assets	95,813.16
Cash	121,580.80
	$ 1,800,557.67
SAVINGS AND TERM DEPOSITS invested in the following ear-marked securities:	
Mortgages, Agreements For Sale	$ 4,699,480.92
Bonds, Stocks, Debentures	4,597,014.53
Loans on Bonds, etc.	92,899.34
Cash	282,211.10
	$ 9,671,605.89
ASSETS OF ESTATES, TRUSTS AND AGENCIES under administration by the Company	$40,671,644.17
TOTAL	$52,143,807.73

Copy of Annual Report Supplied on Request

OFFICES
TORONTO — BRANTFORD — WINDSOR — WINNIPEG — CALGARY

1-46

We Offer

PELLER BREWING COMPANY LIMITED
(Incorporated under the Laws of the Province of Ontario)
5½% Cumulative Redeemable Preference Shares
(Par Value $25 per Share)

The 5½% Cumulative Preference Shares are to be preferred as to dividends which, pursuant to the Letters Patent, are to commence with the 1st January, A.D. 1946, and as to capital; the said Preference Shares carry the right to fixed cumulative cash preferential dividends on the amount paid up thereon as and when declared by the Board of Directors at the rate of 5½% per annum out of the surplus profits of the Company, payable quarterly on 1st January, April, July and October.

The Company has under construction a modern Brewery building on Burlington Street East, Hamilton, Ontario. Efficient brewing machinery, equipment and accessories have already been purchased and paid for by the Company, which will be installed as soon as the building, now at an advanced stage of construction, is completed. The plant when operating to full capacity will produce approximately 100,000 barrels per annum, and plans for the installation of the said equipment are such that as the demand for the company's product increases, the capacity of the plant can be readily expanded.

We invite application for these Preference Shares. The right is reserved to reject any or all applications or to allot a smaller number of units than that applied for.

PRICE: $100 Per UNIT
(Each Unit consists of 4 Preference shares and 8 Common shares)

Application for the above units may be made direct to the company or through your own Investment Broker.

A prospectus, a copy of which has been filed under the provisions of The Ontario Companies Act, 1934, will be promptly furnished on request.

Peller
BREWING COMPANY LIMITED
TERMINAL BUILDING, HAMILTON, ONTARIO
TELEPHONES 7-6002, 7-6990

Can't Afford Any Waste Here

Aside from the Department of Finance which is responsible for servicing the national debt, by long odds the biggest spender at Ottawa today is the new Department of Veterans Affairs. Even last year, with the war not yet over and its biggest activity ahead, DVA was far in the lead in ordinary expenditures with a bill for over $81 millions compared with the $54.6 millions for Post Office and $20 millions for National Revenue, the next in line.

Military pensions, Veterans' Land Act and hospitals, insurance, gratuities and other services for ex-service personnel all come under this department.

From a minor post, the work and expenditures of which were largely handled by special commissions, the Department of Veterans' Affairs has now suddenly become among the most important in the Dominion Government. Because of this sudden growth alone Parliament next session must scan DVA expenditures and operation closely. It would be something of a miracle if any enterprise could be expanded on such a scale without some errors or without some necessary changes in personnel.

Parliament owes it to the hardpressed taxpayer to make sure that all the new big spending of DVA is necessary, that its operations are wise. But Parliament's responsibility in this case does not end with the taxpayer. There is also the veteran, the youth of this country who sacrificed three, four and sometimes five years of normal life and who now have first claim on the new department at Ottawa.

Every dollar wasted by DVA, every hospital or veteran's house or farm, established in the wrong place, every unjustified pension paid out, directly affects the returned soldier, airman or sailor who needs help. Parliament must make doubly sure that those dollars entrusted to DVA are spent to the very best advantage. The country can afford no bungling, no waste, nothing but topmost efficiency in its handling of veterans' affairs.

Canada's policy for rehabilitating its veterans is conceded to be the most generous in the world. Provided there is no waste, not a cent will be begrudged of the hundreds of millions that will be necessary to carry out that policy.

Saskatchewan Threatens Taxpayer

Given first reading in the Saskatchewan Legislature is a bill which would require any institution or undertaking supported by a provincial loan to place its insurance with the new Saskatchewan Government Insurance Office. As the Regina Leader-Post comments in an editorial reprinted on this page, if this is not business blackmail "it comes dangerously close to being that."

It is also presumption and monopoly of a degree never attempted outside the realms of absolute dictatorship. Whose money is it the Saskatchewan Government hands out in loans to hospitals, schools and similar institutions? It is money collected from the people of Saskatchewan for that very purpose. The Government is merely a collection agency, the servant of the people it now has the effrontery to threaten.

Should a private collection agency refuse to turn over money it had collected to its employer unless the latter conceded control of the spending of that money, it would soon find itself in the courts. If the CCF Government in Saskatchewan persists in adopting similar tactics its legislation should meet the same fate.

To Study German Secrets

Appointment of Roy Geddes as economic adviser to General Pope in Germany is in line with recommendations urged by The Financial Post. It means that Canada will now have in Germany a businessman charged specifically with keeping an eye on patent, reparation and other matters from an economic or trade viewpoint. Mr. Geddes is to report back to three or four government departments—Reconstruction and Supply, Trade and Commerce, External Affairs. His reports and studies should be of considerable value in shaping German policy.

Last summer, amid considerable secrecy, the Government organized various technical and scientific excursions into Germany. Some of the men who went represented segments of Canadian industry. Most of the personnel were scientific experts from research laboratories and universities.

Although some general publicity was given to the findings of these men toward the end of last year, there seems to have been no general publication of the considerable amount of data and information that must have been accumulated. In Britain and the United States trade journals and other media have published extensive reports of what has been found by similar studies undertaken by nationals from these countries. Little or nothing of this seems to have been made available in Canada.

Now that the Government has formally recognized the importance of Canada's economic interest in postwar Germany, steps should be taken to give the widest possible circulation to whatever material was uncovered by the 1945 explorations. As well, plans should now be laid for systematic follow-up of this whole question during 1946.

Loans Only a Starter

It is important that the Canadian public fully understands that these current large loans to Great Britain and certain European countries are in the nature of pump-priming. This is a very necessary operation at this time, but nevertheless temporary. Eventually, if the flow of Canadian exports these loans are stimulating now is to be continued, there must be a corresponding flow of goods and services from all countries. In other words, by making credit available so that the United Kingdom, France, the Netherlands, Belgium and others can buy Canadian wheat, cheese, bacon, ships, rolling stock, lumber, metals and other things, Canada hopes to get peacetime international trade moving again.

That point was well stressed by Charles McCrea in his recent presidential address before the annual meeting of the Toronto General Trusts. He pointed out:

"In granting these loans Canada has in mind that it will help in the reconstruction of our allied friends, that it will benefit our export trade immediately, that it will further our long-term trade with these countries and it will help maintain peace by making European and Asiatic countries economically healthy."

The prosperity stimulated by these foreign loans and the refilling of domestic shelves with civilian goods should last about three years, estimated Mr. McCrea, who adds significantly:

"After that in the sphere of external trade, once our loans to our customers have been exhausted, we must look to the treaty makers and trade arrangers to create a broader and freer trading world and to our skill and planning to develop wider markets for our goods."

Exports and Costs

Concern lest British industry should price its products out of foreign markets is being voiced by the London Economist in commenting upon the significance of rising production costs resulting from wage and other cost increases in the coal, cotton and agricultural industries. Wage increases granted in these industries, according to the Economist, are serving as incentives to wage demands from other industries and production costs are being further increased by the apparent reluctance on the part of the worker to do a fair day's work.

This problem is of particular interest to Canada. Because of our dependence on foreign exports as a source of employment and income, Canadian policy must be designed to enable industry to sell its goods abroad at competitive prices. Normally export business represents 22% of our national income and our postwar objective is a 60% in dollar value.

Canada enters the postwar period with an economic machine well equipped, in terms of capacity and efficiency, to compete on favorable terms with other export countries in world markets. Our continued ability to do so, however, particularly when sales to these markets becomes more competitive, will depend, in the last analysis, on Canadian production costs vis-a-vis those in the United Kingdom and the United States. Such rough indexes as are available suggest that output per manhour and labor costs per unit of production are lower at the present time in Canada than in the United Kingdom and the United States. Our ability to obtain and retain export markets can be optimistically regarded as long as we exert every reasonable effort to keep our production costs down.

As long as higher wages are tied up with higher productivity, we need not fear wage increases. But if higher wages result in higher labor costs, we will find our economy saddled with higher prices to the detriment of our standard of living and export markets. There are no hidden reserves in industry out of which higher wages can be paid except through increased efficiency of the worker.

The British experiment in production costs, at a time when that country has set itself the task of expanding exports 75% in volume over pre-war levels, should be carefully appraised by all Canadians.

Behind the Food Crisis

Puzzlement is still widespread as to the real reason for the dramatic suddenness of revelations about Britain's renewed plight on food.

The facts are now pretty clear. Two of them at least are not of the kind that officials readily declare:

1. The U. S. has fallen down on its food commitments to Britain. The hungry Britons depending on big wheat supplies from America, had sent large stocks of Canadian wheat to the hungrier peoples of liberated Europe. As a result, Britain is now 60 million bushels of grain short and bread rationing may be necessary.

2. British food administration bungled, or at least miscalculated. Whaley-Eaton declares:

"As compared with Lord Woolton, whose administrative performance and handling of public relations were excellent, the Labor Minister of Food has fallen down badly."

Woolton was one of Britain's most successful business executives, head of a gigantic merchandising organization. Smith's experience is chiefly in labor union organization work.

In this issue of The Financial Post, Adelphi's cable from London says:

"The Attlee Government has been badly rocked by exposure of the world food crisis which, although not its fault, has been handled with maximum stupidity and lack of co-ordination. . . . I think Sir Ben Smith's food ministry may be the first ministerial casualty."

This won't assuage the present pangs in any British stomach and it is no argument for Canada sparing any effort to share our relative food riches with Britain, but Canadians should be aware of and can take some pride in their country's very creditable performance in helping feed Britain.

Here is some of the record:

In 1945 Canada shipped overseas 10½ million tons of foodstuffs.

Since 1942 our shipments of wheat or flour have averaged about one million bushels each working day.

Food production in Canada increased 40% during the war despite a 15% loss in manpower. Here are striking figures showing the percentage of our food production which was shipped overseas last year: wheat 73%, meats 40%, cheese 72%, canned milk 25%, eggs 28%, canned fish 82%.

Some months ago we chose voluntarily to sell the bulk of our wheat to Britain at 25 to 40 cents a bushel less than the world price.

Last fall we embargoed barley exports to the U. S.

We ration meat when others are dropping controls—or letting black markets go rampant. We cut rice consumption in half. We cut sugar and butter rations last year and, on butter, again this year.

Canada has lived up to her commitments. We are the only country that has.

Shipping is the key limitation to Canada's capacity to rush more cereals to Britain now.

Various "Bites for Britain" schemes—ways to let individual Canadians make their little contribution to feeding Britain—are being discussed. The sentiments behind them are excellent. But officialdom is looking warily at projects which may have only infinitesimal effects on British hunger.

Stop Me If —

"Father, why are some of the labels in the vegetable garden marked 'Wait and see'?"

"Because I've forgotten what I've planted there."

• • •

The former office lad had just been demobbed from the Air Force, and, thick with honors and rank upon him, asked for his pre-war boss.

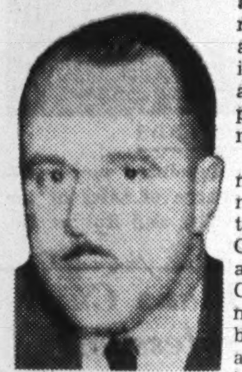
"My boy," said the boss, "I am very glad to see you, and in appreciation of your grand record I am promoting you to chief clerk. What do you think of that?"

"It's frightfully good of you, sir, and I am much obliged, but if you don't mind I would much prefer to have my old position back—in charge of the petty cash!"

Post Scripts

Heads Manitoba Mining

Diamond drills are boring into the ground in Manitoba, bringing out cores to tell geologists and mining engineers what lies beneath the surface. When men and materials are available many new mines will add to the province's wealth and provide postwar employment.


MR. FURNIVAL

With these new developments in sight the Manitoba Government has appointed George M. Furnival, Winnipeg-born, young and aggressive mining engineer and geologist, director of mines. As an employee of private mining companies and in government services, Furnival has had 10 years active work in mining fields of six provinces.

His active work in mining was preceded by as thorough a training course as educational institutions have been able to give. A science graduate of the University of Manitoba in 1929, he did six years postgraduate work, first in Queen's University and latterly at the Massachusetts Institute of Technology.

He has been twice employed by the Geological Survey of Canada, once by the Ontario Department of Mines (in 1935, as senior geological assistant in the Kirkland Lake area), and by a number of private mining companies. For the Geological Survey Board he worked in the Great Bear Lake and Coppermine River areas. At one time he was geologist for Bear Exploration and Radium Co. at Great Bear Lake. He once surveyed the Stony Rapids and Porcupine River areas of northern Saskatchewan and oil possibilities in the Cypress Hills district in southwest Saskatchewan.

He has served as mining engineer for the Consolidated Mining and Smelting Co. in Ontario's Red Lake district; field man for the Nipissing Mining Co., instructor in prospector's courses at Flin Flon and Sherridon, in Manitoba; and field geologist for O'Brien Gold Mines in Quebec, Ontario and Manitoba. In 1941 he accepted a position as field geologist for the Standard Oil Co. in British Columbia. Last summer he was transferred to Calgary as field superintendent for the California Standard Co. and Standard Oil subsidiary.

Furnival is one of those rare enthusiasts of his profession who likes the public service even though the pay is considerably less than he could command in private business. He is a Fellow of the Geological Society of America and has contributed a number of articles to Canadian and American mining publications.

• • •

British Negotiators

Two quiet but influential Britishers are leading the present negotiations at Ottawa for a Canadian dollar credit. They are Sir Wilfrid Griffin Eady and Cameron Fromanteel Cobbold.

Sir Wilfrid is one of Britain's leading civil servants and a top-ranking official of the Treasury. The Treasury, of course, is the opposite number of Canada's Department of Finance. Cobbold was formerly executive director of the Bank of England and now its Deputy Governor. He will not be 42 until next September and comes about as close as anything could be to being the British "opposite" of the Bank of Canada's Graham Towers.

SIR WILFRID EADY

Sir Wilfrid is 56 years of age. He looks older. To see him hurrying through the rotunda of the Chateau Laurier en route to his room or a conference in the East Block, you might mistake him for a University professor. He is short, bespectacled, slightly ruddy of face and somewhat stooped. Apart from a brief visit here with Lord Keynes some months ago, this is his first trip to Canada.

But those who have been dealing with him these past few weeks recognize the type of man who has made the British Civil Service a byword in all parts of the world. Shrewd, well-informed, clear and forceful — he argues the British case with competence and brilliance.

Sir Wilfrid is the son of a civil engineer. He took Classical Honors in Cambridge, entered the civil service in 1913. Since then he has served with distinction in the Board of Trade, the Ministry of Labor, the Unemployment Assistance Board, the Secretary of State department, the Home Office. In 1941 and 1942 he was chairman of the Board of Customs and Excise. In the latter year he was made joint second secretary of the Treasury. Quite obviously here is a man who knows a great deal about the ramifications of Britain's domestic and foreign affairs. His only previous contact with Canada was through Overseas Settlement schemes in which he took an important part.

• • •

Cameron Cobbold is another type of Britisher altogether.

Educated at Eton, the son of Lt.-Col. Clement Cobbold, he forsook university to become a chartered accountant's "boy" in "The City" at age 21. His rise since then has been far and fast.

MR. COBBOLD

For two years he studied accountancy in London and Paris. Then he joined a subsidiary of Lloyds called the Excess Insurance Co. It had a subsidiary in Italy and he spent five years (1928 to 1932) looking after its affairs. The London banks saw something of his work and named him managing director of Banco Italo-Britannica. This was an organization started by the London banks during the first Great War. It had run into difficulties and Cobbold was asked to straighten things out.

The Bank of England took notice of Cobbold's work. They asked him to join the bank as adviser. By 1938, at the unprecedented age of 34, he entered the "Court" or directorate of the Bank and became its Executive Director. Last September he became Deputy Governor. Undoubtedly he is in the line of direct succession for the governorship.

Cobbold's previous visit to Canada was a brief holiday visit about 20 years ago when he travelled to Toronto and went fishing up around Nipigon. But he has kept closely in touch with Canada and Canadian affairs and intends to do so even more in the future.

He is married to a daughter of Lord Lytton.

• • •

Challenger of Hollywood

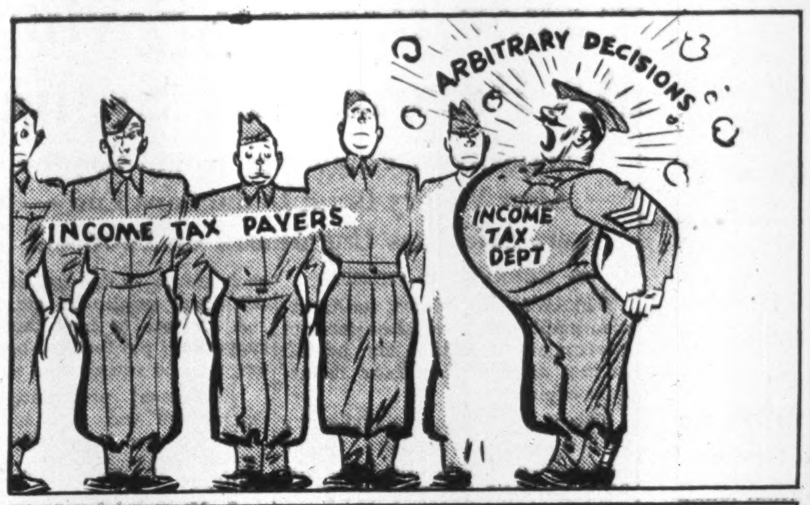
Odeon Theatres, a string of Canadian movie houses allied with Ranks, big British producer and challenger of Hollywood, got a new president last week. He is Hon. James Earl Lawson, who in the 54 years since he was born has crowded in a lot of business and a lot of politics, though his main vocation has been law.

MR. LAWSON

After public schooling in Hamilton, his birthplace, and Ottawa, young Lawson finished his education at Osgoode Hall and hung out his shingle in Toronto, where he still practices. A staunch Conservative, he made an easy entry in active politics in 1928 by winning a suburban Toronto by-election by acclamation. However, just to show that that was not an accident, he captured the same seat in the general election of 1930 and repeated successfully until just before the war, when he retired. For a brief period he was Minister of National Revenue in the last Bennett Cabinet.

Though he could be sharp enough in parliamentary debate, Lawson had a host of friends on both sides of the House, confirmation of his friendly personality, which should come in handy in his new field. Slim, and of medium height, he would easily pass for a man ten years his junior.

Though christened James Earl, Lawson has usually been known by his second name. The James did come in handy, however, as every eldest son of that name for the last seven generations has inherited a famous oaken snuff box. The present holder lives in Forest Hill Village which, as most people know, is really much larger than a village and is about three quarters surrounded by the City of Toronto. One of his main hobbies is his big flower garden. In it he has a stone bench ornamented by a rose, shamrock, thistle and fleur de lys which originally decorated the clock tower of London's Big Ben. Lawson happened to be visiting London during a between-war's renovation and negotiated the purchase of these stone fragments on the spot from the local contractor.



NEWS ITEM—Supreme Court condemns ruling of Income Tax authorities as "based on unreasonableness."

How to Strangle Export Trade

Sees Higher Costs Shutting Export Markets to U. S. Farmers

Through its encouragement of higher and higher costs, American agriculture is rapidly shutting itself out of its natural export markets. Joseph S. Davis, Director, Food Research Institute, Stanford University, recently told a gathering of leading U. S. farm economists. Because of Canada's double interest in export trade and agriculture part of Mr. Davis' speech is reproduced below:

Does America want an agriculture that competes, at home and in foreign markets, on the basis of American efficiency and fair play, or one that relies on our economic power to get for ourselves, through high tariffs, import quotas, and export subsidies which we condemn in other countries, what is piously called "our fair share" of the market?

The most conspicuous case in point is that of cotton. Our cotton policy and programs are little short of crazy. This is crystal clear, despite pussyfooting, stalling, and claims of need for more and more investigations. I weigh my words. We are strangling King Cotton while pampering him.

Under the influence of political pressures, under the plea of giving the growers "fair prices," and despite ever-abnormal stocks, we have boosted the price of American cotton to outrageous heights. To divert land to other crops, their support prices have also had to be set high. In consequence, farm land values in the South have risen more abnormally than in most other states. What I said in August, 1944, about our wartime farm-price policy applies especially to the Cotton Belt: "We have politically engineered a farm prosperity boom of extraordinary magnitude. I see not the slightest possibility of avoiding a radical deflation of this boom."

America can compete with the world on cotton, but we have throttled its production and sale. Is this sane, American? We are thereby greatly stimulating the competition of artificial fibres, here and abroad, thus permanently reducing the industrial outlets for our major export crop. We are also stimulating cotton production in foreign countries, notably Brazil, at an ever greater rate than in the 1930's. We are apparently trying to get an International Cotton Agreement, built on the bad model of the Draft Convention for wheat, that will let us save our crazy program but set definite limits to our cotton exports.

Important cost-reducing improvements in cotton growing are at hand. If freed from controls, enough growers can profitably turn out ample supplies at under ten cents a pound, less than half the current artificial price.

Does America want to maintain a price structure that will keep our cotton, wheat, corn, and lard priced out of the world market? That will restrict exports, even of the farm products we produce most efficiently, to what we can subsidize into the foreign market at substantial cost and with grave risks? Bernard M. Baruch said, early in World War II:

"When peace comes what will be our position at the peace table and in world trade?

"If ours is a high price structure, the lean and gaunt nations, even if defeated, will be able to undersell us in the markets of the world.

"With a low price structure, America can hold her own and demand as a price for economic collaboration, just terms of peace."

The high-price structure we have built up. For the time being we are living with it, but it cannot long endure except at a price we shall not be willing to pay. To build it down is not easy. It is easier to wait until a price collapse is unavoidable. But this is extremely dangerous to our entire economy, and to the world at large as well, for a healthy American economy is vital to a healthy world economy.

What Others Are Saying

Editorial of the Week

Business by Bludgeon

Regina Leader Post

One of the most dictatorial pieces of legislation as yet fathered by the CCF Government has been given first reading in the Saskatchewan legislature in the form of a new provincial insurance Act containing a provision which would compel all institutions and undertakings supported by provincial grants to place their insurance with the Saskatchewan Government Insurance Office.

The domineering intent of this provision is so clear that it requires little interpretation. What it means is that once the new Act becomes law, all schools, hospitals and similar institutions, the University of Saskatchewan, and any organization receiving a regular provincial Government grant, must place with the Government Insurance Office all insurance risks which the Government is prepared to handle or, ipso facto, the grant from the Government will be cancelled.

A more glaring example of governmental arrogance could hardly be imagined. The proposal not only constitutes a deliberate and audacious attempt to impose unfair pressure, but, in addition, it gives legality to a principle which is both vicious and iniquitous. If it is not actual business blackmail, it comes dangerously close to being that and at very least is an example of "Indian giving" at its worst.

Other People's Views

THE EVIL EFFECT OF HIGHER PRICES, says the **Vancouver Province**, is that they will be used as a basis of demands for higher wages and these in turn for higher prices and so the spiral will continue upwards. The Province offers this cure: "One way of stopping the upward trend is to increase production to the point where there will be goods enough to meet the demand. Then people will cease to bid against one another."

EXPOSURE OF COMMUNIST SPY ACTIVITY in Canada may increase the friction between Russia and the democracies, admits the **Calgary Herald**, but "it will serve to put the people of all free lands on their guard against Communist intrigues. These have been most apparent in many parts of the world in recent months, and it is a common impression that the current strike epidemic across the border was not lacking in Communist inspiration and encouragement. These strikes have crippled postwar production tremendously while industrial production in the Soviet Union is going ahead full steam."

THE JAP DEPORTATION DECISION of the Supreme Court may be difficult for the layman to understand, says the **Windsor Star**, but "one fact alone stands out clearly. The Justices refuse to admit Canada's right to deport native-born citizens against their will. This will come as a disappointment to certain rabid advocates of expulsion, but no other decision could be expected. There is no right either in the statutes or in morality to exile those who belong here by virtue of Canadian birth."

JUSTIFYING ESPIONAGE on the grounds that it is natural for any nation to want secret information possessed by another does not impress the **Ottawa Journal**. Commenting on such argument it states: "What it amounts to is that if a nation desires a thing sufficiently there can be no moral limits on means taken to secure it. No harm, for example, in that nation maintaining agents to spy in the capital of a former ally nation, and to buy, steal or otherwise gain possession of that former ally's information. This, it must seem to many, is like arguing that if a man or woman sees a diamond ring in a jeweller's window and desires it sufficiently there can be nothing much wrong about breaking the window to get it."

PROHIBITION IS NOT AN ISSUE, asserts the **Toronto Star**, but improvement of present liquor laws is. "What is notable today is that the liquor interests have joined the temperance forces in decrying present conditions. Wets and drys say things are not working out well, that unseemly conduct features a number of beverage rooms."

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IN YOUR OPINION

How Can We Keep Our Youth in Canada?

The Question: What specific steps would you suggest for checking drift of young Canadians to United States?

A. G. Bailey

Deputy chairman, Petroleum and Natural Gas Conservation Board, Calgary.

As our board is essentially technical I can refer only to technical personnel. I would suggest the following steps:

1. Canadian engineers should be shown by education that they need not take a back seat to American engineers either in scholastic training, research ability or engineering practice.

2. Canadian employers should be made to realize the value of properly trained technical personnel in industry.

3. Canadian producers should be made to appreciate the importance of research and its true relationship to industry.

4. Technical salary levels should be generally raised to be commensurate with the value of technical service.

* * *

Henry J. Foster

Managing editor, Tribune, Welland.

One way to encourage young Canadians to remain in Canada instead of moving to the United States is to work from the top. By this I mean that leaders of industry and commerce and heads of institutions and organizations should give the preference to men educated in Canadian universities when seeking employees to be trained for executive posts.

To do this they must realize some investment must be made in their potential value as well as their immediate earning power. It seems to me this would encourage young men who have spent time and money in preparation for their life work to seek their future at home. In turn, they would be likely to make opportunities for Canadians when they reach positions of authority. The same principle could be applied to men trained in Canadian shops or technical schools.

* * *

Rex Frost

News commentator, Radio Station CFRB, Toronto.

Many young Canadians are drifting to the United States because in school and social training, they are not being sold on the opportunities of their own country. The reflected glitter of U. S. publicity methods here, plus the effect of Americanized radio, movies and magazines, creates the impression in many junior minds, that the big money is to be picked up across the border.

I would suggest movie shorts, special radio broadcasts and school curricula, designed to emphasize Canada's tremendous opportunities for development. Also, a campaign to encourage more parents to persuade their youngsters to join Boy Scout, YMCA and other social movements, which train young people in ideals of useful citizenship. We should also be on guard, to make certain that the present aggressive program to rehabilitate exservicemen, does not result in undue limitation of employment opportunities for youth about to leave school.

* * *

R. M. P. Hamilton

President, General Engineering Company (Canada) Ltd., Toronto.

To avoid young Canadians moving to United States older men in business, industry and government should stop preaching to youngsters and take steps to help meet their personal problems. Such steps should include establishment of more attractively paid government positions bringing men of affairs into the government councils so their opposites in private life are not depressed by government contacts. Leaders in private life should recognize young Canadians' potentialities and actively search in and out of their own businesses for opportunities to train younger men at attractive income levels. Making opportunities for learning and taking responsibilities will be the most effective aid.

* * *

John T. Hackett, K.C.

Hackett, Mulvena, Foster, Hackett & Hannen, Montreal.

The dazzlingly prizes of reputation and fortune will ever draw to a rich and prosperous state the spirited and strong of lesser and poorer communities. Thus Canada has lost millions of native Canadians to the U. S. Policies tending to equalize opportunity and accentuate the growing importance of the Canadian position in international affairs would check, if it did not entirely stop, the drift of young Canadians to the U. S.

Canada has done much for the weak and weary but not so much for the able and aggressive, who seek opportunity rather than state aid, and freedom from monopoly rather than assured revenue. Let Canada lift crushing income taxes, banish government controls and propaganda, accentuate the fact that security in Canada does not lie principally in old age pensions and baby bonuses, good as they are, but in freedom, liberty and the right to pursue happiness and an increasing number of go-getting Canadians will stay at home.

R. M. Harrison

Columnist, Daily Star, Windsor.

So long as "money talks" there'll be little appreciable diminution in the south of the border stampede. On the score of financial returns it is doubtful if the Dominion will be able to compete with the United States for a long time to come.

Therefore the task would seem to be to sell Canada to Canadians from other angles: love of a wonderful country, pride in the British connection and its inherent security, comfort, peace, neighborliness, fresh air, the greater freedom of the individual even though the U. S. A. preens as democracy's show window, the chance to join in making this a land worth sticking to.

These things at forty a week are worth more than Uncle Sam has to offer at double. Let's stress " 'em."

* * *

Louis G. Howard

Dominion president, Army and Navy Veterans of Canada, Selkirk.

If Canada is to retain the cream of her graduating youth, industry and the civil service must make administrative and executive positions more attractive by higher salaries and opportunities of advancement. Under present conditions the graduates' eyes are turned to the United States as their land of opportunity and progress. The appointment of a Royal Commission by the Dominion Government to examine the scale of payment and conditions in the administrative services, though belated, is a step in the right direction.

* * *

Col. C. H. L. Jones

President, Price Brothers & Co., Quebec, Que.

It is impossible to cover completely in a few words the ideas, reasons and remedies which drift young Canadians to United States. Outstanding is the desire to improve living conditions and enjoy maximum luxuries and pleasures of life which depend largely on net income or take-home pay.

There are similar jobs on both sides of the border. This net is affected primarily by three items: gross wages, salaries paid, cost of living and net amount retained after taxation.

The average Canadian wages are lower than in United States, but the cost of living is correspondingly lower and a raise of wage rates would increase the cost of living without achieving the objective of increased take-home pay.

The remaining item, taxation, greatly exceeds personal tax in the United States and should be lowered as soon as possible to leave greater net to all. Education of young Canadians to these facts would be helpful.

* * *

Dean Sinclair Laird

School for Teachers, McGill University, Montreal.

Retention of our own skilled young workmen, professional men, scientists, writers and other talented young people can best be secured by these steps:

1. Varieties of opportunity for talent, attractive salaries and rapid promotions.

2. Private and public encouragement of research in science, industry and education.

3. Development of pride in Canadian designs, crafts, materials and products.

4. More gambling by industrialists on new inventions and new enterprises and encouragement of individual inventors' and employees' suggestions.

5. Development and extension of vocational education in schools and colleges.

6. Giving prestige to careers in business and industry commensurate with that in the established professions.

7. Increased immigration to help carry our burdens and buy our products.

* * *

Lt.-Col. Jules Landry, K.C.

Advocate and secretary-treasurer and director, Clairval Ltd., Chicoutimi, Que.

In alarming numbers our young people leave their country for the United States in search of the more abundant life, too often mistakenly identified with higher salaries. While the problem is not a new one, as every generation of Canadians has contributed its contingents to the exodus, in an underpopulated country like Canada the matter remains of unsurpassed importance. Before considering even the most legitimate immigration schemes we should not only attempt, but succeed, in materially reducing our loss from youthful emigration to other countries. The problem might be tackled from various angles, such as:

1. International arrangements and quotas.

2. International propaganda to sell Canada to its youth.

3. Special youth benefits conducive to a greater sense of security and responsibility, such as home building facilities for low incomes.

4. Personal contact in each case with would-be emigrants by trained investigators who would attempt to solve the factual or psychological problem involved in a projected departure.

* * *

John L. Lang

Past president, Ontario Professional Engineers, Sault Ste. Marie.

Restricting the scope of my reply to young engineers, I believe that higher salaries are essential. The movement of technical personnel to United States is still minimized by requirement of exit permits under wartime controls, but this can be only a temporary expedient. The first step should be increased salaries, which are now inadequate, for engineers in Government employ both Dominion and provincial. There can be no objection to interchange of technical personnel between Canada and the United States, but it should not be one-sided.

* * *

Ed. Maloney

Program manager, Radio Station CFCN, Calgary.

Canada will always remain a United States reservoir for keen brains and willing hands unless a vigorous policy of selective immigration is undertaken to provide the Dominion eventually with an additional 20 or 30 million people. Also needed will be capital to develop fully our natural resources and industries by exclusively Canadian private and public enterprise to such an extent that living conditions, wages, luxuries and opportunity are on a par with those of the United States.

* * *

Pearson McCurdy

Business manager, Halifax Chronicle and Star, Halifax.

The absolute driving power of American publicity has completely sold the youth, not only of America, but of this country, too, on the advantages of life in the United States. We, generally, as Canadians, build up Americans and America far above our own people and our own country.

A Canadian actor, to take a popular conception of success, is only a success when he receives an offer from Hollywood.

And where does the fault lie? It lies squarely upon the shoulders of the governments, the newspapers, the industrialists and individuals that comprise our country's people. We've got to advertise Canada's academic, financial, industrial and social glamour thoroughly.

* * *

D. R. Moffat

Vice-president and general manager, Moffats Ltd., Weston, Ont.

Canada is not growing rapidly enough to absorb production of Canadian factories. Large exports are essential. I recommend that industries separately or in conjunction with the Government triple expenditures on research and engineering with the object of producing products equal or in advance of those turned out by other countries. This is the only way Canada can develop a substantial and permanent export trade in spite of trade restrictions. We must be prepared to face and thereby keep our young Canadians at home.

* * *

Professor E. H. Morrow

University of British Columbia, Vancouver.

The drift to United States is inevitable due to attractive opportunities, common language and similarities of business. Youth fortunately is ambitious and naturally impatient. If we wish to keep youth in Canada we have only to encourage young men with quick promotion and earlier opportunity. The war shows young men can carry great responsibilities. With young people as with everyone else "money talks."

* * *

H. R. Morgan

Editor, Recorder and Times, Brockville, Ont.

I doubt if the migration of young Canadians to the United States will be checked until comparable opportunities are open to them in their own country. To that end we should, in my opinion, do our utmost to provide employment at satisfactory salary or wage levels, especially for technical personnel, through the continued development of natural resources and the introduction of new industrial processes, and strive towards the attainment of a larger population and the enlargement of markets for our products.

* * *

Roger Ouimet, K.C.

Lawyer, and former crown prosecutor, Montreal.

Some of the following steps might prove useful:

1. The lowering of personal income tax so that there be some incentive to work and save for the future.

2. A more thoroughly Canadian education stressing the importance of our history since Confederation and the soundness of our economic future.

3. The constitutional and international recognition of our country's coming of age and the adoption of a national flag which should be flown by all schools across the country.

4. The establishment of Canadian citizenship with as much protection and the fullest rights to naturalized Canadian citizens.

5. No more racial discrimination in the distribution of jobs and the silencing of those who spread racial hatred.

6. Nationalization of our natural resources which would create more possessions and provide better services.

7. The lowering of tariffs permitting the purchase of manufactured goods at a level similar to that of our neighbors to the south.

8. Intelligent governmental co-operation with youth organizations and bureaus.

9. Better and more social laws and a more humane and human application of same especially in the Department of Veterans' Affairs

Dr. Fletcher Peacock

Department of Education, Fredericton, N.B.

To check the drift toward United States, Canada should:

1. Thoroughly acquaint her youth with conditions and possibilities in each country, showing Canada's potential resources, high cost of living in the States and large numbers who do not prosper there as well as if they remained in Canada and worked as hard.

2. Universalized vocational and cultural education emphasizing skills needed to build up Canadian industry.

3. Raise Canadian incomes and provide full employment with modern homes and communities all having amenities for full living.

4. Increase manufacturing through export duties on raw materials such as pulp, long lumber, gypsum.

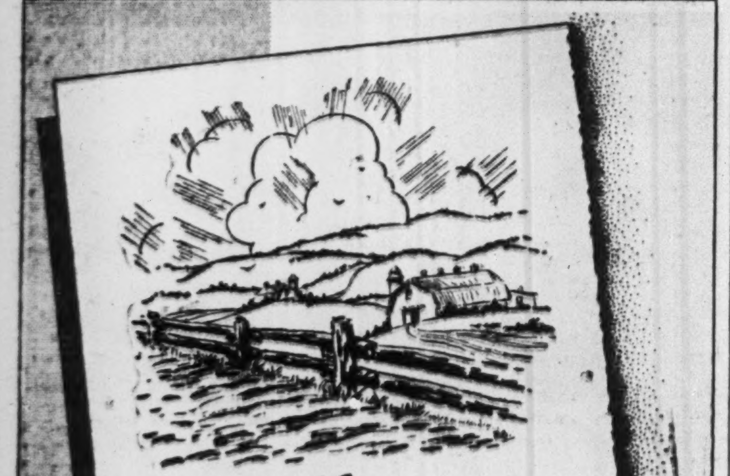
5 Encourage Canadian culture through intensive development of appreciation and skills in arts and handicrafts.

* * *

Dr. L. M. Pidgeon

University of Toronto, Toronto.

My remarks apply only to scientific workers. Ultimate salaries in terms of purchasing power must be reasonably close to those obtainable in the United States at the present time. The ultimate salaries for research workers in government and university laboratories are too low. A research worker to receive a reasonable maximum must take an executive position giving up research. Specifically, the ultimate salary goal for scientific workers must be increased. Canadian manufacturers must carry out a larger fraction of research and development work in this country rather than importing technical information.



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Chartered Trust and Executor Company

PROFIT AND LOSS ACCOUNT

For the Year Ended December 31, 1945

Balance forward from previous year	$ 89,759.52	
Net profit for year after deducting cost of Management, Directors' and Auditors' fees and all other expenses including Municipal Taxes	184,743.12	
		$274,502.64
APPROPRIATED AS FOLLOWS:		
Provision for Dominion Taxes	$ 64,000.00	
Written off Office Premises, Furniture and Equipment	18,252.54	
Contribution to Staff Pension Fund	13,082.66	
Dividends	50,000.00	
		145,335.20
Carried forward		$129,167.44

BALANCE SHEET, December 31, 1945

ASSETS

CAPITAL ACCOUNT:		
Office Premises and Safety Deposit Vaults	$ 348,965.36	
Mortgages—Principal	177,982.78	
Mortgage interest due and accrued	1,968.74	
Loans on Collateral Securities	318,605.07	
Bonds and Debentures—		
Dominion of Canada and Province of Ontario	318,389.94	
Other British Dominions	20,859.95	
Canadian Municipalities and School Districts	81,187.06	
Corporations	132,521.33	
Interest Accrued	6,628.73	
Stocks	219,198.62	
Cash on Hand and in Banks	94,102.86	
Advances to Trusts, Estates and Agencies	4,967.50	
Accounts Receivable	18,965.96	
Other Assets	18,805.71	
		$ 1,763,149.61
GUARANTEED TRUST ACCOUNT:		
Mortgages	$ 497,812.12	
Interest Due and Accrued	5,900.20	
Bonds and Debentures—		
Dominion of Canada and Province of Ontario	4,165,184.38	
Eastern Provinces of Canada	52,733.19	
Canadian Municipalities and School Districts	223,552.25	
Corporations	37,064.29	
Interest Accrued	30,138.51	
Loans on Collateral Securities	1,545,425.95	
Cash on Hand and in Banks	732,862.48	
		7,290,673.37
Total Capital and Guaranteed Assets		$ 9,053,822.98

LIABILITIES

CAPITAL ACCOUNT:		
Capital Subscribed and Fully Paid	$ 1,000,000.00	
Rest	500,000.00	
Dividend No. 108, payable January 2, 1946	10,000.00	
Accounts Payable and Accrued Items	67,906.67	
Fees and other items paid in advance	17,005.31	
Reserve for Dominion and Provincial Taxes	39,070.19	
Balance at Credit of Profit and Loss	129,167.44	
		$ 1,763,149.61
GUARANTEED TRUST ACCOUNT:		
Trust Deposits	$ 6,786,568.61	
Funds held under Guaranteed Investment Certificates	504,104.76	
		7,290,673.37
Total Capital and Guaranteed Liabilities		$ 9,053,822.98

ESTATES, TRUSTS AND AGENCIES

Cash, Securities and Other Properties held for Estates, Trusts and Agencies	$26,863,688.38
Total Estates, Trusts and Agencies	$26,863,688.38

Estates, Trusts and Agencies under Administration by the Company	$26,858,720.88
Advances from Capital Account	4,967.50
Total Estates, Trusts and Agencies	$26,863,688.38

THE FOLLOWING FIGURES ILLUSTRATE THE COMPANY'S DEVELOPMENT

-	1943	1944	1945
Net Profits	$ 128,855.77	$ 178,917.76	$ 184,743.12
Surplus, including Rest	383,843.81	589,759.52	629,167.44
Trust Deposits	3,826,650.06	5,304,029.88	6,786,568.61
Trusts, Estates, Agencies and Guaranteed Certificates	23,650,412.15	24,107,779.63	27,367,793.14

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Lacking Wheat Europe To Use Canadian Oats

From Our Own Correspondent

WINNIPEG—Recent shifts in government regulations respecting oats make it difficult to be sure that any statement is up to date. Until a few weeks ago export of oats had been practically embargoed by refusal of the Canadian Wheat Board to issue permits for shipment to the United States, or by holding the fee for such permits at a level which made commercial exporting impracticable.

At that time country deliveries of oats were being restricted in order to conserve elevator and shipping space for wheat. Movement of oats at that time was slightly above demands for the feed trade in eastern Canada; and exports overseas, for which there was a strong demand, were encouraged. Then, for a brief period, opportunity for shipment south of the line was re-established, apparently because ocean space immediately in prospect was preoccupied with wheat and overseas export of other grain would have to be delayed.

When the United Nations announced a wheat shortage and urged all possible measures to overcome it, a complete embargo on export of Canadian oats was announced. Apparently use of wheat for feeding livestock was to be discouraged and it was desired to ensure that enough feed grain would be available for eastern Canada livestock.

It was announced that the Feeds Administrator would buy all oats delivered at Lakehead terminals, such grain not immediately required to go into a feed bank to meet later requirements, the Government assuming carrying costs.

At that time the trade was sceptical as to eastern needs absorbing all the western surplus of oats. That point of view has been justifed by announcement at the end of last week that permits for the export of approximately one million bushels of oats to Great Britain would be issued for shipment east from the lakehead at the opening of navigation.

Increasing British demand for oats is expected, both because the use of oatmeal for human food lessens the monotony of a diet which must be mainly of cereals and vegetables, and because livestock feed will be scarce now that a high extraction rate is to prevail in the milling of wheat, with a consequent reduction in the supply of milling by-products for cattle feed.

Before long, it is thought, there also may be insistent demand from the Continent for Canadian oats. As the supply of wheat from dwindling supplies nears the point of exhaustion, there will be shipping space available from Atlantic ports for which oats will be sought because it cannot be filled with wheat.

Free Implements As Beet Bonus

MONTREAL (Staff) — To encourage Quebec farmers to grow more sugar beets, to keep the $2 millions beet sugar refinery at St. Hilaire busy:

(1) Farmers will be guaranteed $12 a ton at the refinery in 1946.

(2) Bonuses, in the form of free farm implements, will be distributed on following basis—to each farmer who delivers at least 50 tons of beets at the plant will be given a picker; to each farmer delivering more than 75 tons of beets, option of obtaining free a picker, a seeder or a mechanical hoe. Value of each machine is from $100 to $160.

Agriculture Minister Laurent Barre said operation of the refinery was too costly when amount of beets handled was as low as in 1944 and 1945.

May Seed Nearly 29 Million Acres As Higher Wheat Price Anticipated

From Our Own Correspondent

WINNIPEG — Instead of holding wheat seedings down to 23½ million acres, in accordance with federal recommendations, accepted at the Dominion-provincial agricultural conference last December, western farmers may add five million acres to that total in 1946, some western observers believe.

Wheat acreage was up to almost 30 millions a few years ago. Decline from that peak has not been a decline in cultivated acreage, in which there has probably been a slight increase. Some areas, formerly very dry, received enough rain to warrant resumption of operations formerly abandoned. There was a large diversion of acreage to oats and barley, and an increase in the percentage of cultivated area summer fallowed each year.

To some extent, that was in response to government appeals, early in the war, for restricted wheat production, with bonuses for a time for such diversion. But largely it was due to a desire to provide more barley for home feeding of hogs, and to the fact that cash returns from different grain crops, with wheat at $1.25 a bushel, were estimated to be about the same.

A tendency to enlarge wheat acreage again was beginning to show itself last spring, but was checked by a late seeding season, which resulted in nearly three million acres more being summer fallowed last year. Now, when farmers are expecting net returns of about $1.45 a bushel on wheat, that crop, to most of them looks more inviting than either oats or barley, so far as well-prepared land is concerned.

Feared Glut

Formerly, wheat seeding was checked by fears of not being able to dispose of all that might be produced, as a result of elevator congestion or government restrictions. Last year, for example, the Government warned that no farmer would be allowed to market more wheat than 14 bushels per authorized acre, no matter how much he might produce, or might have carried over from previous years.

This restriction was removed shortly after harvest, because of the tremendous demand for wheat for export, and because the crop was generally short. After that experience, farmers no longer fear such a restriction; and as they see country elevators either empty or rapidly emptying, they do not fear inability to deliver grain. During recent years practically all of them constructed farm storage facilities, and wheat is the easiest and cheapest crop to hold.

Farmers are generally bullish on wheat, both as to continued export demand, and as to price. Canadian price levels have been much below those in the United States. This fact and the very high prices recorded for rye, which is not under price control, are taken as indication that sooner or later the Canadian price level is likely to advance.

Barley as Cleaner

For several years a good deal of well-prepared summer-fallowed land has been devoted to barley, especially by farmers who were growing malting types. Now, because all grades of barley are selling at the uniform ceiling price, there will be a tendency to go out of malting barley and to seed the feed varieties, which give higher yields.

Moreover, instead of using summer-fallowed land for barley, seeding is likely to take place on land previously in crop, and barley may be used as a cleaning crop, instead of resorting to summer fallow to eradicate weeds. The lower grades of feed barley, which command just as much as the higher grades are allowed to contain a considerable percentage of weed seeds, which thus, instead of being a costly burden, actually represent saleable production.

ROBERT S. CHADWICK

With the Belleville office of Biggar & Crawford, Members Toronto Stock Exchange prior to joining the army in 1940, Mr. Chadwick has resumed his association with the firm and becomes Manager at Belleville. Mr. Chadwick spent more than four years overseas.

Wheat Exports 196 Million Bu. In Six Months

From Our Own Correspondent

WINNIPEG—Canada exported 196 million bushels of wheat in the six months ending Jan. 31, the Dept. of Trade and Commerce announces. Of this, 57 millions was reported as going to the U. S. presumably for re-export.

The number of countries to which exports were made illustrates the problem which constantly faces the Canadian Wheat Board in rationing supplies among would-be purchasers. Demand is continuous from practically all importing countries for Canadian wheat and flour, because our export prices are the lowest in the world. The much more expensive products of the United States however, will be exported during the current crop year in greater volume than those of Canada.

Wheat exports are recorded to the United Kingdom, Eire, British South Africa, India, Ceylon, British West Indies, Gibraltar, Malta, New Zealand, Palestine, Belgium, China, Colombia, Costa Rica, Cuba, Czechoslovakia, Egypt, France, French Africa, Greece, Honduras, Iceland, Iraq, Italy, Morocco, Netherlands, Norway, Peru, Portugal, Russia, Salvadore, and Jugoslavia.

Most of these countries also took some Canadian flour. Countries taking flour and not wheat included British East Africa, Rhodesia, Gold Coast, Nigeria, Gambia, Sierra Leone, British Guiana, Hong Kong, Albania, Belgian Congo, Ecuador, Newfoundland, Brazil, Germany, Greenland, Guatamela, Haiti, Liberia, Netherlands East Indies and Netherlands West Indies, Nicaragua, Panama, San Domingo, Canary Islands, Philippine Islands and Venezuela.

At present there is no difficulty in making sales; the difficulty is in refusing would-be buyers, or in cutting down their allotments, yet avoiding if possible, ill-will and a feeling of discrimination on that account. This is an indication, however, of the size of the problem which must be faced in re-establishing selling machinery for Canadian wheat and flour when the international market again becomes competitive.

An interesting item records shipment of 130,000 bushels of rye to Norway in January, the only export shipment made during that month, although 625,000 bushels had been exported during December and nearly 4½ million bushels during the 12 months ended with January, 1946. The high prices which have prevailed for rye, very much higher than for wheat, have not affected a constant demand for the limited quantities available.

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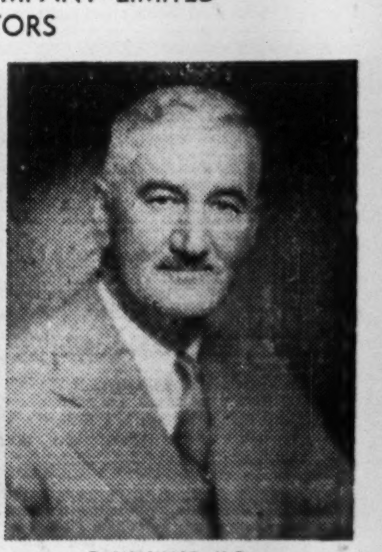

D. W. LANG, K.C.

At the Annual Meeting of The London and Western Trusts Company Limited, in London, the three above-named, who are all members of the Toronto Regional Board, were elected as Directors of the Company. All three of the new directors are well-known in the legal profession, and Miss Hyndman becomes the first woman elected to the Directorate of any Canadian Trust Company.*

Sugar Beet Industry Fears Labor Supply

Current series of Canada & Dominion Sugar Ltd. advertisements in southwestern Ontario newspapers bespeaks concern for the 1946 sugar beet crop. Requested by the Dominion-Provincial conference on agriculture to grow 35,000 acres of beets this year where 17,700 acres were grown last, Ontario farmers are facing the prospect of a short labor supply for thinning, blocking and harvesting.

Last year there were 850 prisoners-of-war in the area to aid in handling the crop; but this source of labor cannot be counted upon again. In addition, the 3,000-odd immigrant workers who alternated between sugar beet and tobacco work during the growing season in southwestern counties before the war are a problematical source today. Estimates are that as many as half the original number may have drifted away to farms of their own, to steady factory employment, elsewhere; and their numbers have not been replenished during the war.

There is no satisfactory census of the probable numbers available to handle beet work when it demands attention in late May and June. The sugar company and government departments concerned are understood to be canvassing possible additions to the labor supply from other sources. They point out that in actual numbers of acres worked the contribution of last year's prisoners-of-war was relatively small, that the major loss had been in migrant field workers.

It is understood that wartime manpower shortage, crop risk involved in sugar beet cultivation and comparative prices offered by hybrid corn and other cash crops are responsible for a trend away from sugar production on many farms in the area. A return to sugar is being pushed hard this year in the face of a world shortage of cane sugar.

This year the Dominion is aiming at half again as much beet sugar as was produced last year. Here, by sugar-producing provinces, are this year's objectives contrasted with 1945 acreage: Alberta 30,300 acres (1945, 30,000); Ontario 35,000 (17,700); Manitoba 15,000 (10,000); Quebec 9,700 (2,000).

Incentive is offered 1946 sugar farmers in Ontario by the highest price in 26 years. This is built up by a Prices Board ruling permitting an increase of 60¾ cents per cwt., plus a government subsidy in Ontario of 58 cents per ton. This works out to $12.25 per ton, delivered at refinery, for beets yielding 17% sugar. Seventeen per cent is considered a likely average sugar content this year.

The Ontario Government has set aside $112,500 for subsidy payments—enough to cover 194,000 tons—and the sugar company has undertaken to make up the subsidy equivalent for production in excess of this figure.

No. 3 advertisement in Canada and Dominion's campaign last week focused attention on one hope for alleviating the potential labor crisis. It was a "report to sugar beet growers on mechanization." Agricultural authorities tell The Financial Post that good progress has been made in developing machines to load and unload beets, that harvesting machines are "fairly successful," but that equipment to do blocking or thinning is still in the experimental stage. The need in Ontario is for machinery adapted to smaller fields (average size about eight acres) and to the heavier types of soil encountered here.

Canada and Dominion reports $150,000 invested in mechanical unloaders and another $50,000 on order; but it is believed doubtful if delivery of sufficient equipment can be made from the U. S. to bring appreciable relief this year.

Cockshutt Plow Co. Gets 2,000 U. S. Sales Outlets

Sales rights in the United States to Cockshutt Plow's farm machinery products, including tractors, harvester combines and other lines, have been given to Gamble Stores, Minneapolis, Gordon Cockshutt, President and chairman, announces. These products will be distributed under the Cockshutt name by Gamble stores through their 2,000 sales outlets in the central and middle-western states. Gamble Stores are already one of the largest distributors of automotive and farm equipment in the United States.

This announcement follows closely on one to sell Cockshutt farm equipment in Canada and the United States through two large co-operative systems. The present tie-up with Gamble Stores indicates that the greatly expanded manufacturing facilities of Cockshutt Plow will be put to full peacetime use and will enable the company to get the full economies associated with mass production, Mr. Cockshutt states.

High Floor Price Seen Dangerous

From Our Own Correspondent

EDMONTON—Danger of setting too high agricultural floor prices was stressed by Dr. T. W. Grindley, secretary of the Canadian Wheat Board, in addressing 300 delegates to the fifth annual farmers' co-operative short course conducted by the University of Alberta.

"It was one thing to prevent the price pendulum from swinging to either end, so that neither producer nor consumer was unfairly affected," he said. "It is quite another to fix the price pendulum at such a high level as to vitiate price as a controlling influence in production and to necessitate rigid production and marketing controls.

He warned that when floor prices are sought at a level which makes restriction necessary or clearly discernible, "agriculture passes from a period of self-support to one of subsidy and from a system of individual action and freedom of opportunity to one of state regimentation."

L. D. Nesbitt, publicity director of the Alberta Wheat Pool, said Alberta can look forward to a market for about 100,000,000 bushels of wheat if an international wheat agreement comes into effect.

Prices for western hogs have been affected adversely by a black market in Quebec and Ontario, Hugh W. Allen, president of the Alberta Livestock Co-operative and chairman of the livestock section of the Alberta Federation of Agriculture, charged.

BRUCK SILK MILLS, LTD., Canada's first silk mill, is celebrating its 25th anniversary this year. Established in 1921 with 14 looms in a former munitions plant in Cowansville, Que., Bruck now has more than 400 looms turning out upward of 10 million yards of fabric annually, and employing over 1,000 workers.

Province Buys 45-Acre Site For Toronto Fruit Market

First step toward a new $1 million wholesale fruit and produce market in Toronto was taken this week with announcement of the purchase by the Ontario Government for $175,000 of a 45-acre site just west of the city. Special legislation for financing of the project probably will be enacted at the legislature session opening next week.

Agriculture Minister T. L. Kennedy announced that the land had been quietly acquired over the last three months and that it will be at least two years before the market is ready. The Dominion Government is expected to share cost of the project.

The site chosen, after failure to obtain one in the city, is a triangular area near the Humber River, east of Park Lawn and running from the Queen Elizabeth Way to Queen St. There are about 10 or 11 houses on it, which will be demolished, but not until the housing shortage abates.

The market, which will operate under direction of a holding committee, is expected to provide speedy handling of fresh produce, saving of farmers' time, extension of the market garden area around Toronto to a 40 or 50-mile radius, reduced costs through lower handling charges and relieving of the congestion at the present St. Lawrence Market.

Canada Aluminum Foil Is Replacing German

MONTREAL (Staff)—Canada already has built up a substantial business in exported aluminum foil in markets formerly dominated by Germany, Gene Kruger, vice-president of Dominion Foils (Canada) Ltd. reports, in revealing plant expansion work under way at Cap de la Madeleine, Que. Present program includes installation of two hot mills, a remelt mill and additional rolling mills for aluminum foil.

The company is now exporting finished aluminum foil to the United States, Mexico, England, Australia, New Zealand, British West Indies, China, Gautemala, Colombia and the Dominican Republic, and enquiries have recently been received from many other countries. In pre-war years, Germany controlled approximately 80% of the export trade in aluminum foil.

TOWN OF STE. THERESE, P.Q. has awarded a $70,000 issue of 3% serial, 25-year bonds to Savard, Hodgson & Co., Inc., at 100.53. Average interest cost to the municipality is 2.952%.

Quebec Plans Fishery Plant

MONTREAL (Staff)—In buildings purchased from War Assets Corp., the Quebec Government plans to establish, near Gaspe, a freezing plant to aid fishermen in preparation and marketing of fresh fish fillets.

The properties are part of what was known in the war as HMCS Fort Ramsay . . . seven buildings formerly used as offices and stores, maintenance and paint shops, plus the contents of the buildings including refrigeration equipment, plumbing and lighting fixtures. Fort Ramsay was administrative headquarters for the Royal Canadian Navy in the Gaspe area. As other structures at the station are sold, they will be demolished, and the material removed.

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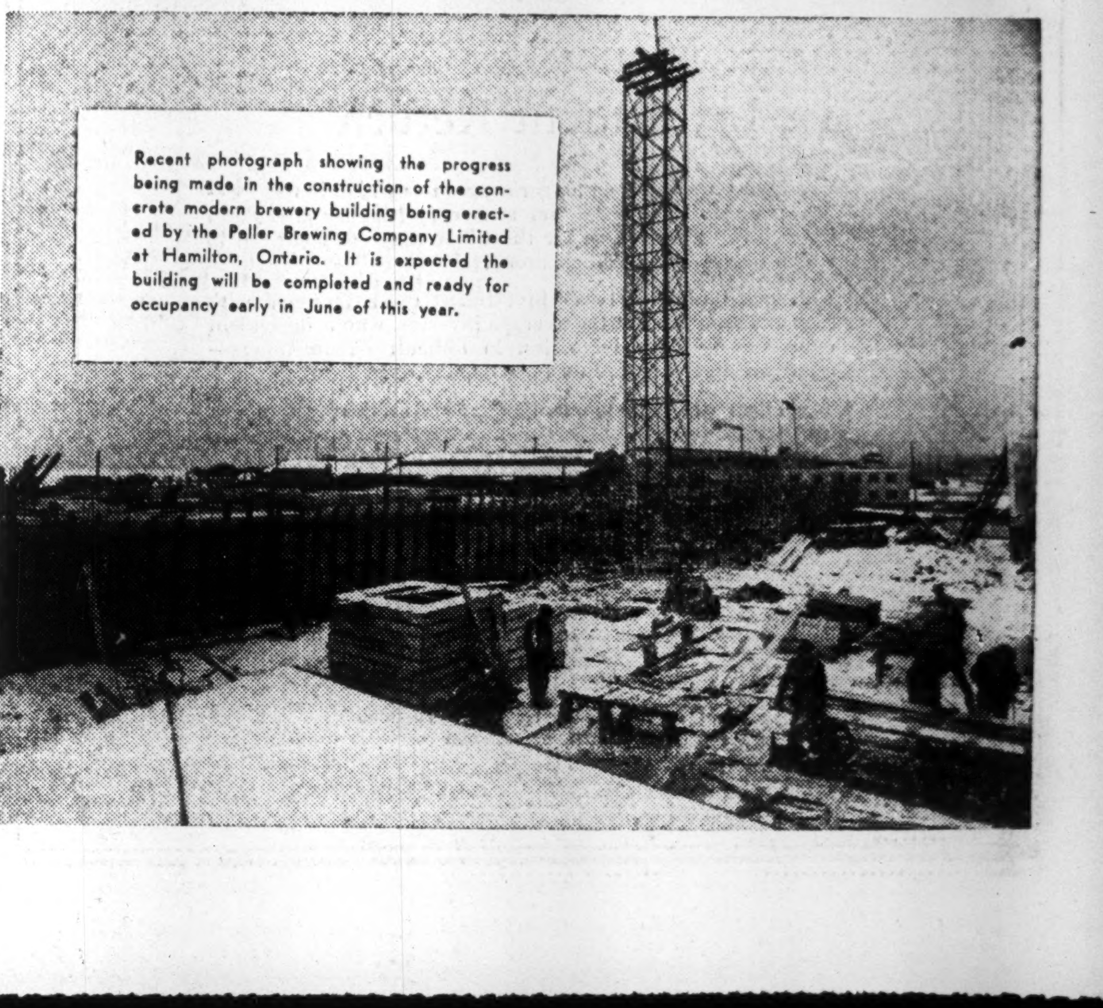

Recent photograph showing the progress being made in the construction of the concrete modern brewery building being erected by the Peller Brewing Company Limited at Hamilton, Ontario. It is expected the building will be completed and ready for occupancy early in June of this year.

COMPANY REPORTS

DUNLOP TIRE & RUBBER GOODS CO. report a 65.5% increase in net profits for 1945. Net worth of the company at $6 millions was up fractionally and net earnings represented a 4.1% return on net worth (2.7% in 1944). Preferred and common stock equities increased: equity behind the preferred was up 19%, common stock equity was up 22%.

President J. I. Simpson pointed out that manufacturing costs have been rising which, together with ceiling prices, affected profit margins, although the effect had been offset in the past by high production volume. Manufacturing facilities had, at the end of 1945, largely been reconverted to peacetime purposes. Experience in the use of synthetics gained during the war is expected to bring new and improved products for peacetime uses.

Enlargement of premises to permit increased production and lower unit costs is expected this year. Production of foamed latex products will be resumed this year.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$722,719	$652,614
Less: Depreciation	180,947	185,581
Prov. for taxes♦	325,000	336,000
Net profit*	216,772	131,033
Less: Pref. divds.	41,184	41,184
Common divds.	70,960	70,960
Surplus for year	104,628	18,889
♦Incl. refund. EPT	30,000	38,000

*Note: Co's. report includes ref. EPT in net profit and surplus for year.

Earnings per Share and Dividend Record:		
5% Pref.:		
Excl. ref. EPT	$6.58	$3.98
Incl. ref. EPT	7.49	5.13
Paid	1.25	1.25
Com.: Excl. ref. EPT	3.09	1.58
Incl. ref. EPT	3.62	2.25
Paid	1.25	1.25

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & govt. secs.	$1,439,022	$1,739,564
Accts. rec.	1,057,891	959,339
Inventories	1,890,146	1,449,880
Total curr. assets	4,387,059	4,148,783
Misc. assets▲	247,656	281,402
Can. Lastex Ltd.	37,500	250
Fixed assets	4,728,498	4,363,031
Goodwill	941,205	941,205
Total assets	10,341,918	9,734,671
Total curr. liab.	1,072,360	687,506
Deferred liabs.	83,409	55,706
Depreciation res.	3,187,496	3,039,684
Conting. res.	225,000	350,000
Capital stock	4,797,435	4,797,435
Surplus▲	976,218	804,340
▲Incl. refund. EPT	220,400	253,400
Working capital	3,314,699	3,461,277

CONNAUGHT HOTEL CO. of Hamilton, Ont., volume of business rose in 1945, President Vernon G. Cardy reports. He states directors are "deeply concerned about difficulties arising from the squeeze between rising costs and ceiling prices." The hotel last year took care of 116,102 guests occupying 92,925 rooms. Net profit of $28,146 represented an increase of $26,499. An addition to surplus of $28,386, profits from sale of investments, brought total surplus to $71,621. Current assets total $202,368, liabilities $99,074. In 1941 interest on Debentures "B" was earned but not paid due to uncertainty in respect of taxation. This obligation was discharged in full during 1945.

SISCOE GOLD MINES may be able to continue at a reduced milling rate in 1946, although ore reserves do not so indicate, President J. B. Lynch, states in 1945 report. Any extension in present life of the mine will be dependent on: possibility of mining at a profit the new Hope vein; discovery of a new source of ore in elimination drilling of upper levels, or in finding a new ore body at depth.

Development is expected to start May, 1946, of Miller Lake O'Brien silver property where drilling has indicated a possible new zone of silver veining. Siscoe Metals Ltd., a subsidiary, plans operating a pilot plant on property of former Gold Flake Mining Co.

A total of 49 properties were examined in Quebec, Ontario, Manitoba and Newfoundland. Nineteen properties were held under option.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Production	$1,288,743	$1,487,979
Less: Oper. exp.	1,069,272	1,161,591
Net oper. earn.	219,471	326,388
Add: Other inc.	81,870	45,876
Total net earn.	301,341	372,264
Less: Deprec.	103,664	112,147
Res. for taxes	111,060	111,103
Net profit	86,617	149,014
Less: Dividends	69,601	139,202
Surplus for year	17,016	9,812
Earnings per Share and Dividend Record:		
Com.: Earned	$0.02	$0.03
Paid	0.015	0.03

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & bullion	$314,295	$412,493
Accts. rec.	49,035	43,176
Invest. mkt. val.	1,360,286	1,001,787
Supplies	171,425	210,393
Total curr. assets	1,895,041	1,667,849
Ore in stopes	18,772	115,000
Prepaid charges	3,579	4,050
Claims & props.	3,797,390	3,797,390
Exp. re oth. props.	145,543	......
Plant & equip.♦	88,112	1,715,299
Total assets	5,948,437	7,299,588
Accts. pay. & accr.	33,910	25,100
Tax provision	112,841	109,637
Total curr. liab.	146,751	134,737
Res. for deprec.	......	1,521,746
Capital stock	4,750,000	4,750,000
Surplus	1,051,686	893,105
♦Less depr. res.	1,476,318	......
Working capital	1,748,290	1,533,112

OPERATING STATISTICS

	1945	1944
Tons milled	266,166	324,478
Av. recovery	$4.84	$4.59
Ore reserves, tons	86,505	196,611
Grade ($38.50 gold)	$5.35	$4.63

CHARLES GURD & CO. net profit for the year ended Oct. 31, 1945, was the first since 1940. Although sugar allocation was reduced from 80% to 50% of 1941, sales showed an increase of approximately 10% over 1944, according to E. P. Taylor, chairman of the board. The company obtained orders for hot chocolate powder for overseas shipment which helped sales. Directors believe that sugar allocation will gradually increase during 1946 which should improve earnings. Balance sheet notes a contingent liability as a result of the company's hypothecating its land and buildings as guarantee for the $750,000 first mortgage bonds of Orange Crush Ltd.

INCOME ACCOUNT

Years Ended:	Oct. 31, 1945	Oct. 25, 1944
Net earnings	$111,974	†$41,753
Less: Deprec.	36,913	34,824
Loss on subsid.	5,893	......
Net profit & surplus	69,168	†76,577

†Loss or deficit.

Earnings per Share and Dividend Record:		
Pref.: Earned	$28.82	d$31.91
Common: Earned	0.87	d1.56

None paid on either.

CONDENSED BALANCE SHEET

As at	Oct. 31, 1945	Oct. 25, 1944
Cash & Dom. bds.	$209,445	$73,067
Accts. rec.	19,188	51,229
Inventories	70,155	55,274
Total curr. assets	298,788	179,570
Misc. assets	23,832	35,637
Fixed assets	1,206,011	1,195,056
Goodwill, etc.	100,001	100,001
Total assets	1,628,632	1,510,264
Total curr. liab.	75,958	55,464
Deprec. res.	426,187	394,308
Res. re containers	70,067	73,240
Capital stock	965,364	965,364
Capital surplus	20,000	20,000
Earned surplus	71,056	1,888
Working capital	222,830	124,106

CENTRAL TRUST CO. OF CANADA reports 1945 profits at an all-time high, up 37% from 1944. Shareholders' equity was up 12.5% and the value of estates and trusts under administration was up 2.4%, guaranteed trust funds up 9%. Total assets were up 4.5%.

	1945	1944
Liab. to public, etc.*	$2,283,635	$2,094,276
Shareholders' equity	264,761	235,375
*Secured by:		
Mortgages	1,279,698	1,184,838
Office premises‡	50,812	49,742
Liquid assets†	1,217,886	1,095,071
Total	2,548,396	2,329,651

‡Includes safety deposit boxes and furniture. †Includes stocks and bonds.

Estates account	5,713,803	5,577,851
Earned per Share§	$6.75	$6.04
Paid	6.00	6.00

§Based on amount paid up on subscribed capital, part of which, during year, did not rank for dividends.

INVESTMENT BOND & SHARE CORP. for 1945 had a 16% drop in net income. Revenue deficit account was increased to $262,679 as the net deficit for the year totalled $41,117.

Break-up value of the corporation's outstanding debentures at the year end was $144.75 ($99.31 in 1944). Investments totalled $2.7 millions of which 4.5% were in bonds; 11% in preferred stocks; 84% in common stocks and the balance in cash.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net revenue	$67,942	$78,897
Expenses	14,666	15,343
Net income	53,276	63,554
Less: Deb. interest	85,100	85,100
U. S. exch. on int.	9,142	9,355
U. S. tax on int.	151	189
Deficit for year	41,117	31,090
Times Deb. Int. and Exch. Earned	0.56	0.67

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash	$7,689	$43,945
Invests., at cost*	2,270,925	2,002,369
Accr. revenue	906	1,688
Net loss on secs.	1,388,393	1,659,890
Revenue deficit	262,679	221,600
Total assets	3,930,592	3,929,592
Call loans & exch.	221,000	220,000
Accts. & tax. pay.	7,592	7,592
Debentures	1,702,000	1,702,000
Capital stock	2,000,000	2,000,000
*Market value	2,683,628	1,872,313

MOUNT ROYAL HOTEL CO. net profit for the year ended Nov. 30, 1945, was almost 3.3% lower than the previous year. President Vernon G. Cardy states that expenses, principally for labor, continue to rise, while selling rates are still restricted by price control. Sinking fund of $220,000 was made on 4% first mortgage bonds and $14,500 general mortgage bonds were purchased at a discount. In addition, $14,500 general mortgage bonds were converted into shares of no par value. Expenditures on capital improvements totalled $58,596 of which $44,609 was for renewal and modernization of guest elevators.

INCOME ACCOUNT

Years Ended Nov. 30:	1945	1944
Net income	$728,911	$748,342
Less: Mtge. loan int.	97,544	109,143
Gen. mtge. int.	1,360	5,475
Depreciation	181,729	200,000
Inc. tax prov.†	259,000	238,000
Net profit	189,278	195,724
Less: Divds.	84,640	......
Surplus for year	104,638	195,724
†Incl. refund. EPT	26,800	24,000
Times Interest Earned:		
Before deprec.	7.47	6.86
After deprec.	5.61	5.02
Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$1.34	$1.40
Incl. ref. EPT	1.53	1.57
Paid	0.60	....

CONDENSED BALANCE SHEET

As at Nov. 30:	1945	1944
Cash & Dom. bds.	$611,597	$444,012
Accts. rec.	187,979	138,338
Investments‡	5,150	5,150
Inventories	106,166	123,686
Total curr. assets	910,892	711,186
Misc. assets♦	186,148	135,853
Fixed assets*	4,752,091	4,875,223
Total assets	5,849,131	5,722,262
Total curr. liab.	718,669	465,938
Funded debt	2,333,000	2,607,000
Capital stock	1,825,976	1,811,476
Capital surplus	258,489	▲257,264
Earned surplus♦	712,997	580,584
*After depr. of	5,608,945	5,427,216
‡Market value	7,725	3,733
♦Incl. refund. EPT	95,800	69,000
▲After trans. of $643,876 to deprec. res.		
Working capital†	194,798	243,831

†Bonds and stocks at market value.

LA COMPAGNIE LEGARE LTEE net profit for year ending Sept. 30, 1945, is down 47.1% due chiefly, report states, to a 58.7% increase in tax payments. Liability for EPT has been finally determined up to Dec. 31, 1942, and additional taxes of $98,519 have been charged against surplus account. Arrears of dividends on preferred shares amount to $251,113 or $8.47 a share.

INCOME ACCOUNT

Years Ended Sept. 30:	1945	1944
Net earnings	$384,420	$419,295
Less: Deprec.	23,251	26,008
Int. & disc. (net)	8,255	19,045
Bond & mtge. int.	17,327	18,897
Income taxes♦	221,230	139,393
Net profit	114,357	215,952
Less: Pref. divds.	59,244	......
Surplus for year	55,113	215,952
♦Incl. ref. EPT	48,312	8,359
Times Bond Interest Earned‡:		
Before deprec.	21.71	21.18
After deprec.	20.37	19.80

‡After deduction of interest and discounts.

Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$3.86	$7.29
Incl. ref. EPT	5.49	7.57
Paid	2.00	....
Com.: Excl. ref. EPT	6.99	17.15
Incl. ref. EPT	11.82	17.99

None paid.

CONDENSED BALANCE SHEET

As at Sept. 30:	1945	1944
Cash & Dom. bds.	$663,338	$572,345
Accts. rec.	902,753	801,761
Inventories	1,223,055	1,267,349
Total curr. assets	2,789,146	2,641,455
Misc. assets▲	143,328	269,375
Fixed assets*	651,587	471,445
Total assets	3,584,061	3,382,275
Bank loan	34,824	51,822
Accts. & tax. pay.	871,902	682,501
Woodhouse & Co.	946,314	876,216
Other curr. liab.	4,301	46,355
Total curr. liab.	1,857,341	1,656,894
Def. charges	31,221	30,364
Funded debt	286,750	294,975
Capital stock	800,550	800,550
Capital surplus	89,045	85,243
Earned surplus	519,154	514,249
*After depr. of	316,805	294,380
▲Incl. ref. EPT	56,671	8,359
Working capital	931,805	984,561

Coniaurum Output Up Final Quarter 1945

Bullion production of Coniaurum Mines was $281,962 from 26,940 tons milled, an average recovery of $10.47 gold per ton in final three months of 1945 ($241,331 from 24,540 tons averaged $9.84 in preceding quarter).

Estimated net profit, before depreciation, was $50,813, or 1.8 cents a share ($79,211, or 2.9 cents a share, previously).

Saskatchewan Planning More Govt. Enterprise

From Our Own Correspondent

REGINA — Saskatchewan is far from finished in its government-owned industrial and business program, Premier T. C. Douglas has intimated in the legislature here.

New government industries are being planned, said the premier, to aid processing of primary products and to create employment. Already more than 1,000 jobs have been created, he stated.

The Premier said his Government planned to use industrial enterprise to produce revenue. He added that he believed Saskatchewan, by pooling its resources, and by eradicating exploitation and waste, could provide "a minimum of social security."

Mr. Douglas declared the Liberal opposition, preferred to have the people serviced by corporations whose profits would go elsewhere rather than having them here to develop the province and to provide much needed social services.

To the charge that government policies had scared off private enterprise, he cited figures to demonstrate that between July 1, 1944 (the C.C.F. took power July 10, 1944) and Feb. 19, 1946, there were 167 provincial companies formed in Saskatchewan with an authorized capital of $10,681,900; 44 extra-provincial companies with a capitalization of $44,156,000; and 641 partnerships.

WM. F. J. GRIMMOND

has been appointed general manager of Milqo Ltd., Hamilton, Ont.

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The London and Western Trusts Company Limited

BALANCE SHEET AS AT 31st DECEMBER, 1945

ASSETS

CAPITAL FUNDS:

Cash on Hand and in Banks			$ 113,470.48
Dominion of Canada Bonds			749,777.07
Provincial Bonds			13,785.40
Loans on Stocks, Bonds and Other Collateral			48,088.98
Mortgages and Agreements for Sale—Principal			616,967.93
Mortgages and Agreements for Sale—Interest Due and Accrued			6,400.73
Stocks			5,422.00
Advances to Estates and Trusts			35,337.81
Real Estate Held for Sale			78,628.07
Office Premises at London, Winnipeg and Saskatoon			150,741.64
Office Furniture and Fixtures			26,984.26
Other Assets			12,207.45
			$ 1,857,811.82
GUARANTEED FUNDS:			
Cash on Hand, in Banks and Other Financial Institutions		$ 65,063.40	
Bonds and Debentures:			
Dominion and Dominion Guaranteed	$ 1,034,114.95		
Provincial	51,850.42		
Other	34,607.12		
Interest Accrued	6,107.92		
		1,126,680.41	
Stocks of Canadian Corporations		72,506.15	
Loans on Stocks, Bonds and Other Collateral		50,943.41	
Mortgages—Principal	$ 2,040,935.48		
Mortgages—Interest Due and Accrued	24,452.69		
		2,065,388.17	
			3,380,581.54
ESTATES, TRUSTS AND AGENCY FUNDS			45,273,841.12
			$50,512,234.48

LIABILITIES

CAPITAL FUNDS:

Capital Stock:	
Authorized—50,000 Shares of $100.00 each	
Issued Fully Paid—12,137 Shares of $100.00 each	$ 1,213,700.00
Reserve	400,000.00
Reserve for Staff Pensions	65,000.00
Profit and Loss Account Balance	86,208.01
	$ 1,764,908.01
Dividend Payable 1st May, 1946	12,137.00
Reserve for Taxes	59,814.46
All Other Liabilities	20,952.35
	$ 1,857,811.82
GUARANTEED FUNDS:	
Funds Received and Invested	3,380,581.54
ESTATES, TRUSTS AND AGENCIES	45,273,841.12
	$50,512,234.48

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31st DECEMBER, 1945

Earnings for the Year after defraying expenses of Management and all other charges		$100,253.79
Written off Office Premises	$ 7,500.00	
Provision for Profit Taxes (Dominion)	36,000.00	43,500.00
Net Profit for Year		$ 56,753.79
Dividend of $1.00 per share paid 1st November, 1945	12,137.00	
Dividend of $1.00 per share payable 1st May, 1946	12,137.00	24,274.00
Balance for Year		$ 32,479.79
Balance at 31st December, 1944		53,728.22
Balance at 31st December, 1945		$ 86,208.01

RESERVE

Balance at 31st December, 1944		$400,000.00
Amount transferred from Investment Reserve, being in excess of present requirements		75,000.00
Initial payment to Pension Fund for past service of employees	$ 10,000.00	
Transfer to Pension Fund Reserve	65,000.00	
Balance at 31st December, 1945	400,000.00	
	$475,000.00	$475,000.00

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Montreal Firm May Build Thin-wall Concrete House

MONTREAL (Staff)—Creaghan & Archibald Ltd., contracting engineering firm here, is understood to be considering feasibility of mass building of houses by a recently developed concrete technique. An affiliated contractor in Toronto is said planning a similar program for this spring.

Houses of the type being studied have been erected in Florida, T. C. Creaghan told the annual meeting here of the Engineering Institute of Canada. Mr. Creaghan, primarily a builder of dams and bridges rather than a specialist in housing, described a concrete house that could be erected in four or five days and sell for about $5,000 complete.

Other engineers who discussed the proposal at the convention thought there might be possibilities in the idea, though there was an inclination to be cautious about expecting too much.

Mr. Creaghan maintained that lack of materials and lack of skilled labor are holding back housing development, and pointed out there is plenty of cement and only a few men of high technical skill would be needed to erect concrete houses. He maintained that a concrete house such as he proposed would be good looking, cheap, fire and termite-proof, and have every advantage of a more expensive brick house.

Mr. Creaghan would utilize the new Bilner method of handling concrete. K. P. Bilner, Philadelphia, inventor of the "prestressing" process which would be used with the new "vacuum casting" method, also took part in the discussion at the meeting. It is now possible, it was explained, to cast stronger concrete walls and partitions only 2½ in. thick, and concrete can be hardened in half an hour instead of 24 hrs., as formerly.

Discussion of the Bilner house of concrete recalled the news that on Feb. 25 at Longview, Tex., tractor manufacturer Robert G. Letourneau is scheduled to unveil his new "30-ft. square machine that squats on a vacant lot like a hen and 'lays' a four-room concrete house in 24 hrs."

BELGIUM GLOVE & HOSIERY CO. OF CANADA, LTD., 50,000 no-par-value common shares and 16,250 preferred shares ($20 par), have been admitted to the listed section of the Montreal Curb Market.

FRED W. DAVIES

is vice-president and general manager of the newly-formed Trailmobile, Canada, Ltd., of Windsor, Ont., a subsidiary of Trailmobile Co., Cincinnati, Ohio.

NEW DIRECTOR

Mr. Donald F. Gibson, K.C., has been elected to the Board of Directors of The London and Western Trusts Company Limited. Mr. Gibson graduated from Osgoode Hall in 1924 and has practised law in Tillsonburg since that time. He succeeded Mr. V. A. Sinclair. Mr. Gibson has served as Mayor of Tillsonburg, and takes an active part in affairs of that community.

COMPANY REPORTS

ASBESTOS CORP. had a 66% increase in net earnings—69% per share—in 1945. Dividends were up 40%; total assets up 7%; net working capital up 6%; total surplus up 13%.

President R. W. Steele reports the market very active throughout 1945 and continuing strong, and that sales of shingle grades could not be maintained at the rate immediately following V-J Day since surplus inventories of these grades had since been reduced to normal. Mr. Steele also cites increased pressure on profit margins through higher production costs as a disturbing earnings factor.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$2,073,073	$1,246,252
Less: Depr.	311,555	291,723
Pension fund	75,000	15,000
Taxes	600,000	300,000
Net profit	1,086,518	639,529
Less: Dividends	840,000	600,000
Surplus for year	246,518	39,529
Earnings per Share and Dividend Record:		
Common: Earned	$1.81	$1.07
Paid	0.80+0.60	0.80+0.20

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & Dom. bds.	$3,402,637	$2,454,414
Accts. rec.	906,298	626,739
Inventories:		
Asbestos	354,822	900,117
Materials, supp.	618,976	674,440
Total curr. assets	5,282,733	4,655,710
Misc. assets	92,629	44,709
Fixed assets*	4,172,817	4,226,658
Total assets	9,548,179	8,927,077
Accts. & bills pay.	647,310	350,091
Prov. for taxes	162,297	84,932
Total curr. liab.	809,60[illegible]	435,023
Gen. reserve	1,150,000	1,150,000
Capital stock	5,512,714	5,512,714
Distributable surp.	1,000,000	1,000,000
Earned surplus	1,075,858	829,340
*After depl. depr.	6,522,998	6,211,442
Working capital	4,473,126	4,220,687

THE TRUSTS & GUARANTEE CO. in 1945 had net earnings of $113,173 ($110,811 in 1944), but as tax charges were somewhat higher in 1945 than in 1944 earnings per share were down at $7.44 ($7.86 in 1944). Total assets under administration at the close of 1945 were $52.1 millions, an increase of $1.4 millions over the previous year.

	1945	1944
Liab. to public, etc.*	$9,731,623	$8,935,355
Shareholders' equity	1,740,541	1,684,175
*Secured by:		
Mtges. & sls. agree.	5,179,013	5,248,872
Office premises	61,725	61,725
Realty for sale	......	59,184
Liquid assets‡	6,231,426	5,249,749
Total	11,472,164	10,619,530
‡Includes bonds and stocks.		
Estates account	40,671,644	40,114,024
Earnings per share	*$7.44	†$7.86
Paid	3.00	3.00
*After (†Before) pens. fund approp.		

THE MARITIME TELEGRAPH AND TELEPHONE CO. reached an all-time high in gross operating revenue in 1945, up 3.3% from 1944. Due to reduction in EPT, the company was able to restore dividends to the annual rate of $0.80 per common share, against a previous rate of $0.70.

Telephones in service numbered 63,505 in 1945 (61,866 in 1944) and there were 3,778 unfilled orders at the end of 1945. The company acquired the Westport and Digby Telephone Co. and standardization of these plants will probably be completed this year.

INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$2,084,581	$2,085,631
Less: Deprec.	572,574	559,561
Bond int.	187,500	187,500
Other interest	504	505
Income tax‡	940,048	960,752
Disc. on secs.	11,054	11,350
Net profit*	372,901	365,963
Less: Pref. divs.	105,000	105,000
Common divs.	302,178	287,793
Deficit for year	34,277	26,830
‡Incl. refund. EPT	136,822	141,345
*Note: Co's. report includes ref. EPT in net profit.		
Times Bond Int. Earn.‡	8.06	8.14
‡After other interest.		
Earnings per Share and Dividend Record:		
Pref.: Excl. ref. EPT	$2.49	$2.44
Incl. ref. EPT	3.40	3.38
Paid	0.70	0.70
Com.: Excl. ref. EPT	0.64	0.63
Incl. ref. EPT	0.97	0.97
Paid	0.70	0.70

CONDENSED BALANCE SHEET

As at Dec. 31:	1945	1944
Cash & Dom. bonds	$1,224,903	$1,235,213
Accts. rec.	470,455	433,759
Inventories	414,981	310,781
Total curr. assets	2,110,339	1,979,753
Misc. assets▲	581,189	433,948
Investments	391,521	391,650
Fixed assets	13,942,537	13,578,082
Total assets	17,025,586	16,383,433
Total curr. liab.	849,803	868,483
Def. credits	74,455	76,721
Funded debt	4,500,000	4,500,000
Deprec. res.	4,681,438	4,178,803
Other res.	578,748	578,749
Capital stock	5,688,570	5,630,650
Surplus▲	652,572	550,027
▲Incl. ref. EPT	437,659	336,838
Working capital	1,260,536	1,111,270

PROVINCIAL TRANSPORT CO. in 1945 carried 19,234,144 passengers (increase of 304% in six years). Facilities were improved by addition of 53 vehicles, 21 were scrapped as unfit for further operation (fully amortized) and one was destroyed by fire. At year-end, 51 parlor coaches and five city buses were on order. Several new permits to operate in Quebec and Ontario were obtained. Reduction of $330,198 in working capital was largely the result of expenditures of $817,179 on coaches and equipment and $22,500 on mortgage loans. Earnings per share, excluding EPT, were up 15.3%.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1945	1944
Net earnings	$1,511,759	$1,312,266
Less: Deprec.	398,896	322,431
Inc. tax res.‡	925,100	828,000
Net profit	187,763	161,835
Less: Dividends	100,000	100,000
Surplus for year	87,763	61,835
‡Incl. refund. EPT	159,741	143,264
Earnings per Share and Dividend Record:		
Com.: Excl. ref. EPT	$0.75	$0.65
Incl. ref. EPT	1.39	1.22
Paid	0.40	0.40

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1945	1944
Cash, govt. secs., etc.	$1,315,758	$1,189,002
Accts. rec.	87,462	133,852
Inventories	188,077	238,859
Total curr. assets	1,591,297	1,561,713
Misc. assets▲	525,339	422,260
Fixed assets*	1,791,613	1,298,378
Franchises	491,448	491,449
Total assets	4,399,697	3,773,800
Total curr. liab.	1,281,173	921,391
Mtge. pay.	216,250	238,750
Reserves	542,675	542,675
Capital stock	1,325,482	1,325,482
Surplus▲	1,034,117	745,502
*After depr. of	2,535,522	2,193,638
▲Incl. refund. EPT	482,832	332,863
Working capital	310,124	640,322

BROCKVILLE TRUST & SAVINGS CO. net profit for the year ending Dec. 31, 1945 was $32,904 compared to $30,906 for the previous twelve month period. Earnings per share increased 6.4%.

	1945	1944
Liabs. to public, etc.*	$1,226,307	$992,976
Reserve for mtges.	40,107	40,107
Shareholders' equity	739,559	732,790
*Secured by:		
Mtges. & sls. agree.	1,409,865	1,229,369
Furn., fixt., etc.	1,854	1,924
Realty for sale	458	504
Other assets‡	593,796	534,076
Total	2,005,973	1,765,873
‡Includes bonds and stocks.		
Estates account	1,670,607	1,487,878
Earned per Share	$3.29	$3.09
Paid	2.50	2.50

MONTREAL LOAN & MORTGAGE CO. had net profits of $40,021 in 1945 (38,919 in 1944) of which $30,000 (as in 1944) was distributed in dividends and $1,190 for real estate depreciation, leaving a balance of $22,186 for credit to profit and loss.

	1945	1944
Liab. to public, etc.*	$20,324	$22,573
Shareholders' equity	1,472,187	1,413,355
*Secured by:		
Mortgages	976,124	965,167
Real estate	42,845	74,071
Liquid assets‡	473,542	396,690
Total	1,492,511	1,435,928
‡Includes bonds and stocks.		
Earned per share	$1.62	$1.57
Paid	1.25	1.25

WESTERN LIFE ASSURANCE CO. reports an increase of 13% in business in force in 1945, assets gaining 15%.

New insurance on placed basis was almost $2.6 millions (1944, $2,659,982). A. R. Goudie, Kitchener, has been elected president with H. H. Gray as managing director.

	1945	1944
Insurance in force	$13,195,788	$11,701,049
New insurance	2,599,473	2,659,982
Total income	472,495	428,334
Added p'holders res.	193,757	145,683
Pd. p'hldrs. & benef.	94,729	120,797
Pd. shareholders	50	......
Total assets	1,767,860	1,527,976
Liabs. to p'holders inc. actuarial res.	1,642,952	1,460,545
Other liabs.	8,217	6,526
Sh'holders equity	160,739	138,829
P'holders surplus	115,950	60,112

VERDUN CATHOLIC SCHOOL COMMISSION is asking authority to borrow money to redeem, by anticipation, after six months' notice, bonds bearing interest at 5% or more. The commission also wants to borrow $103,000 to pay teachers differences in salaries claimed and paid for the year 1945-46, and $61,765 to consolidate part of the deficits for the years ended June 30, 1943, 1944 and 1945.

THE VICTORIA TRUST & SAVINGS CO.
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3¼% Allowed on 3-5 year time deposits.

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FACE-LIFT *for an Old Business*

Richard Hall, Limited, long a leading department store in Peterboro, Ont., is known for modern methods and modern merchandise.

Consequently, the decision to modernize the store-interior was entirely logical. And just as logical was the choice of Masonite* for this modernizing job... as is shown by one of their transformed departments.

Masonite Tempered Presdwood, finished with high-gloss paint, was used for all wall surfaces, backgrounds, display sets, sliding cupboard doors, table tops, and drawer fronts.

Other departments throughout the store were similarly modernized . . . streamlined . . . beautified.

Give a Lift to
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Whatever your problem, Masonite Presdwoods offer almost unlimited scope for modernizing interiors . . . improving operating conditions . . . *economically!*

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And Masonite jobs are completed quicker . . . at reduced labor costs . . . because Masonite is so speedily worked, easily handled, with ordinary wood-working tools.

Though Masonite Brand Products are still in somewhat short supply, everything possible is being done to correct this situation speedily. It is therefore suggested that you learn now how Masonite can help improve your premises.

Write for free samples, technical data, and 48-page booklet, "What you ought to know about Masonite Brand Products," to International Fibre Board Limited, Gatineau, Que., Dept. 120

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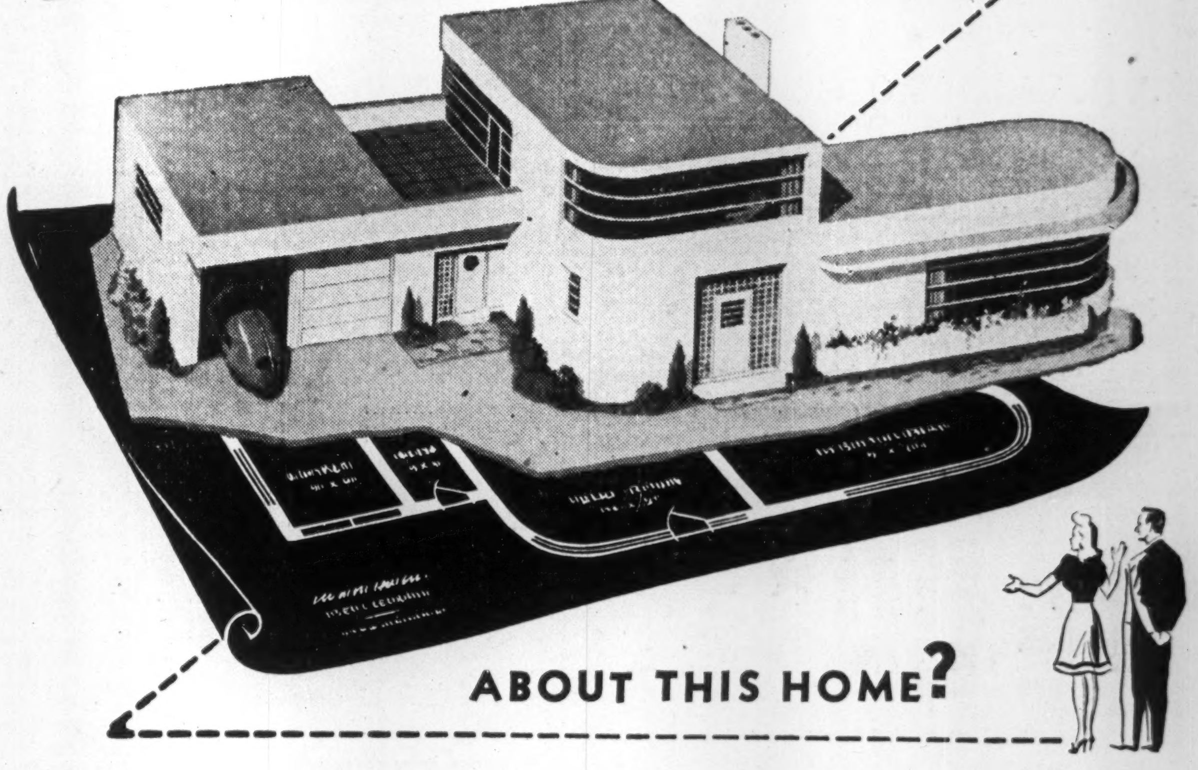

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Construction Industries

Nail, Wallboard Supply Shortages Seen Easing

Nail shortage has eased since the recent price-ceiling increase. Wallboard shortage also has eased appreciably. One reason for improved wallboard supply is the winter lag in building. But this item probably won't be as scarce again as it was last season.

These are preliminary and informal conclusions by the Canadian Construction Association committee, headed by Robert Drummond, Toronto, now studying causes and remedies of building material shortage. First of its projected series of reports to Reconstruction Minister Howe—on cast iron soil pipe and plumbing fixtures—may be submitted about mid-March. Others — on heating equipment, lumber, bricks, in that order—will follow at two or three-week intervals.

The CCA committee, set up by Mr. Howe Jan. 28 at the association's request, is covering the country and the whole list of short building items in its search for ways and means to speed production and distribution so that a full-scale housing program and other needed construction can get rolling this spring.

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To Speed Output

of certain building materials now falling disastrously behind demand, Ottawa is expected in some construction quarters to resort soon to further limited easing of price ceilings. Easing of price ceilings has been Washington's initial approach to the same problem. Whether Canada is to take that tack will be seen as the Dept. of Reconstruction & Supply digests current surveys by the Canadian Construction Association and the Prices Board to determine shortage remedies, i.e., wage-price ceiling adjustment, tax revision including special depreciation on capital improvement, incentive subsidy, export regulation, tariff adjustment or similar measures.

In Washington, the Office of Price Administration has granted increases in price of a large number of building materials. Although the adjustment for any one material has not been high, construction costs, now about 35% above 1940 levels, probably will rise another 8% this year. William H. Shaw, chief of construction statistics in the Dept. of Commerce, says construction cost rise by 1947 probably will be 55% to 60% above 1940 level.

During the war numerous adjustments were made to relieve hardship and increase production of critical materials. Last September a number of further adjustments were made, notably $2 per 1,000 common brick manufactured east of the Rockies; $1.20 a ton in the northeastern section of the U. S. for building lime; $4.25 per 1,000 sq. ft. in manufacturers' ceiling prices for gypsum lath and gypsum liner board; 4% or $3 per net ton for cast iron soil pipe and fittings; $2.40 per net ton in manufacturers' prices for calcined gypsum plaster "bag goods." Almost all of these adjustments were passed along to the consumer.

Since September several major revisions have been granted, some of these to permit a fair profit by manufacturers and distributors, others to encourage manufacturers to resume production of a material not produced during the war. Latest and most important is the $5 per ton boost allowed for basic steel following strike-won wage increase.

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Prefab Prices

are going higher in United States as the Office of Price Administration has authorized prices based on current costs of material and labor rather than those of March, 1942. The revised formula, designed to stimulate production of factory-built houses, applies to single and multiple prefabs made mostly of wood. The housing program recently announced by the U. S. Government includes a target of 250,000 prefabs in 1946, or more than one fifth of all housing units contemplated.

• • •

New National Code

of house building standards to guide framing or revision of municipal building by-laws has been drafted by national building code committees under direction of the National Research Council. The new model code covers single and two-family dwellings, unlike the three-year-old National Building Code, which is a comprehensive volume — some say too comprehensive for general application — covering all kinds of building construction. The house building "code in miniature" is undergoing final revision and may be published late spring or early summer, NRC's S. J. Cook tells The Financial Post. Prominently mentioned in connection with its preparation is Dr. S. D. Lash, Department of Civil Engineering, Queen's University, Kingston, who was a member of the administrative committee for the earlier master code.

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Will Build 1,200 Cars For Belgium

From Our Own Correspondent

HALIFAX — Pictou County manufacturing industries are looking up. The Eastern Car Co. at New Glasgow has begun work on 50 railway coaches for the CPR and on 1,200 cars for Belgium, about a year's work.

Transferring its business from Montreal because of cheaper power and coal and good transportation facilities, the Topper Pharmacal Co. has purchased Wartime Housing buildings at New Glasgow and will move there in April. Cod liver oil and other pharmaceutical products will be made, with also a food-processing division for canned chicken, beans, and eventually fruits.

A trial shipment of furniture made at the Ferguson Industries plant in Pictou sold so well in Bermuda recently that a second cargo has been ordered. It is entirely a Pictou product, using local woods and labor.

Sask. Govt. Institutions Must Insure with SGIO

CCF Seeks to Compel All Public Bodies Receiving Provincial Aid to Buy From Government Office, Despite Strong Opposition

From Our Own Correspondent

REGINA—Any institution in Saskatchewan receiving a statutory grant would be obliged to take out insurance in the provincial insurance office, under a bill before the legislature by the CCF Government here. This means that all hospitals, schools and sanatoria must buy their insurance from the SGIO in order to get their grants.

Already a spirited fight is brewing with school boards, hospital boards and other affected groups or organizations girding to oppose the measure, the second compulsory insurance bill introduced this session. The other is the compulsory auto insurance act, which will compel all car owners, passenger, commercial or farm, to insure against public liability in the Government insurance office.

It is estimated that about $32 millions of insurance will be involved in the latest move. It affects more than 4,000 school boards, 78 hospitals and three sanatoria. Municipalities will be unaffected.

"After the bill is passed, the Government will determine just what undertakings come within the provisions of the Act," Social Services Minister O. W. Valleau, has announced.

At present the plan involves only fire, auto and fidelity insurance, these being the only types of insurance now sold by the SGIO.

The bill does not require that existing contracts be cancelled. It specifies that premium rate charged for the compulsory insurance "shall not be greater than the average rate charged by other insurers for the same risk, during the immediately preceding 10 years."

Manitoba Cuts Provincial Debt By$16,982,101

From Our Own Correspondent

WINNIPEG—A wartime reduction of nearly $17 millions in Manitoba's gross public debt has been reported by Premier Garson.

From May 1, 1940, to April 30, 1945, actual debt reduction was $16,982,101.50. At the end of that period the provincial debt was $113,187,261. In the last year of the period, the reduction was $5,822,077,

The Manitoba debt was at its peak in 1940, at $130,171,362. In depression years of the '30's there were heavy borrowings from the Dominion for relief, not only for the province's share but in a number of cases for municipalities.

Provincial revenues have kept buoyant for the current fiscal year. or the year ended last April 30 they were an all-time high of $22,268,320, an increase of $1,255,347 over the previous year. Expenditures were also a record high, $19,054,253.

Liquor profits, $4,380,112, four and a half times as much as in the first year the liquor commission was in operation, accounted for 45% of the increase in revenue. Succession duties rose $322,724; game licenses and fur royalties, $171,199; forestry revenues, $104,404; land titles office fees, $70,270; Health Department revenues, $51,423; amusement tax, $28,416.

Motor vehicle registration fees dropped $60,039; telephone interest $46,659; receipts on sales of provincial lands, $12,990.

Expenditures included $1,750,000 set aside to a postwar emergency fund, which now totals $5,424,298. Interest on the public debt was reduced $440,132.

Plan $2 Millions Housing Program

HALIFAX—City council has approved an extensive housing project in which a $2 millions apartment community will be developed by Housing Enterprises of Canada, Ltd., a syndicate of national life insurance companies, with federal backing. Approval of the Legislature will be sought on public and transfer rights.

Twenty acres of land on the North Common, a vacant playground space in the city, has been acquired by the syndicate at a nominal price of $1, the land and buildings to revert to the city in 50 years.

The program will provide 400 individual family units of three, four and five rooms. Construction probably will be of concrete blocks. Open spaces for recreation and streets will be provided in the centre of the community. It is understood that the properties will be mortgaged by the Government for 90% of their value at 3%.

CHARTERED TRUST & EXECUTOR CO. has announced a raise in annual dividend rate from 4% to 5%. The April 1st dividend of 1¼% will be on this basis. Dividends have been paid on a 4% annual basis since 1936 with a 1% bonus paid during the year 1938-1939.

BUSINESS THIS WEEK

THE FINANCIAL POST	JAN.	DEC.	NOV.	OCT.	Year Ago
■PRODUCTION INDEX (1)	188.7	193.0	200.3	209.5	239.1
GOVERNMENT FINANCE (millions of $)					
■Dom. war expend.	105.0	246.0	137.6	170.1	262.0
■Dom. total revenue	233.5	385.9	174.1	246.3	236.4
■Dom. total expend.	231.6	486.8	316.0	301.1	333.3
MERCHANDISING					
Dept. store sales index no. (1)	....	279.3	258.9	220.9	253.9
Retail sales index no.	....	255.7	213.0	203.8	237.1
Wholesale sales index no.	....	195.6	221.3	236.8	170.8
Country store (% change pr. yr.)	....	+6.2	+9.3	+11.2	....
FINANCE					
Dividend payment index (5)	....	....	140.0	140.0	129.9
Bank debits (1)	....	....	282.5	191.5	220.4
■Bank deposits index (1)	255.0	258.1	239.2	226.1	220.5
Money supply (millions $)	....	....	6,261	6,726	6,213
NEWSPRINT % OF CAPACITY					
Production ratio	90.8	79.6	82.7	82.8	73.2
Shipment ratio	87.4	75.5	82.3	82.0	64.1
RAILWAY FREIGHT LOADINGS					
■Tons (D.B.S. index)	191.0	167.4	156.2	140.0	191.0
■Cars (D.B.S. index)	156.3	143.2	138.2	129.1	156.3
COST OF LIVING					
D.B.S. index	119.1	120.1	119.9	119.7	118.6
EMPLOYMENT INDEX, D.B.S.					
All industries	....	172.9	171.2	168.7	185.7
Manufacturing	....	184.0	186.3	188.4	220.1
Payrolls (June 1/41=100) (2)	....	139.3	139.2	137.8	151.0

RAILWAYS—(000's omitted)	1946-45	1945-44	1946-45 Jan. 1 to date	1945-44 Jan. 1 to date	% Change
■Carloadings (week Feb. 16)	67.4	66.0	451.1	444.3	+1.1
■C.P.R. gross rev. (Feb. 21)	5,490	5,445	39,690	40,835	—2.8
■C.N.R. gross rev. (Jan.)	30,901	32,568	30,901	32,568	—5.1
■C.N.R. net rev. (Jan.)	2,276	3,854	2,276	3,854	—40.9
C.P.R. gross revenue (Nov.)	25,764	27,165	291,090	293,279	—0.7
C.P.R. net revenue (Nov.)	3,324	6,030	32,837	38,410	—4.5
IRON AND STEEL (000's omitted) (Dec)					
Pig iron production (tons)	135.2	139.2	1,778.0	1,852.6	—3.8
Steel production (tons)	219.3	243 5	2,881.3	3,024.4	—4.8
CONSTRUCTION (000's omitted)					
Contracts awarded (Dec.) $	25.787	12,730	409,033	291,962	+40.1
Building permits (Dec.) $	13,541	7,902	195,143	128,728	+52.0
■Cement prod., bbls. (Dec.)	306.1	190.0	8,488.5	7,190.9	+17.7
AGRICULTURE (000's omitted)					
Flour prod., bbls., (Dec.)	2,168 8	2,029.5	25,059.2	24,292.1	+3.3
Flour exp., bbls. (Jan.)	1,139	840	1,139	840	+34.4
Wheat exp., bush. (Jan.)	15,248	5,163	15,248	5,163	+195.3
Cattle sales (Jan.) (4)	157.3	166.3	157.3	166.3	—5.1
Hog sales (Jan.) (4)	514.3	830.2	514.3	830.2	—38.8
SEA FISHERIES (000's omitted)					
Catch, cwts. (Nov.)	967	836	10,776	7,914	+36.1
Landed value (Nov.) $	2,349	1,712	45,699	27,186	+69.0
NEWSPRINT (000's omitted)					
Production, tons (Jan.)	328	265	328	265	+23.8
Exports, tons (Jan.)	316	232	316	232	+36.2
MINING AND OILS (000's omitted)					
■Coal prod., tons (Dec.)	1,550.9	1,553.1	16,456.9	17,026.5	—3.4
■Gold rec. (fine oz.) (Jan.)	248	233	248	233	+6.4
■Petroleum prod. (brl.) (Dec.)	666.9	879.1	8,569.2	10,099.4	—15.2
ELECTRICAL POWER OUTPUT (000,000 omitted) (Dec.)					
Total monthly kw.h.	3,289	3,356	40,101	40,466	—0.1
FOREIGN TRADE (thousands of $)					
Imports (Dec.)	121.2	127.2	1,585.8	1,758.9	—9.9
■Exports (Jan.)	189.1	230.5	189.1	230.5	—28.8
FINANCE (millions $)					
■Bank debits (Jan.)	5,991	5,070	5,991	5,070	+19.1
■Bond sales (Jan.)	186.7	194.4	186.7	194.4	—4.1
Life insurance sales (Dec.)	65,536	47,618	689,449	614,117	+12.2
OTHER INDUSTRIAL FACTORS (000,000's omitted)					
Shoe prod., pr. (Nov.)	3.7	3.1	35.9	32.7	+9.8
■Cotton consump., lb. (Jan.)	14.1	13.1	14.1	13.1	+7.7
Cigarette cons. (no.) (Jan.)	1,491	1,159	1,491	1,159	+28.6

(1) Base period 1935-39=100. (2) All industries. ■New items for week. (4) Total at yards and plants. (5) Nesbitt, Thomson est.

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WINNIPEG GRAIN EXCHANGE

To Refund 4½% Bonds Of Maritime Telephone

From Our Own Correspondent

HALIFAX — Maritime Telegraph & Telephone Co., at its annual shareholders' meeting here, announced plans to redeem at 103 on July 1, its $1½ millions general mortgage 4½% bonds due Jan. 1, 1966. They will be replaced by a $2 millions new 3% issue.

Fewer Liquor Permits But Sales Are Higher

From Our Own Correspondent

REGINA—Saskatchewan's liquor board had $3,776,246 profit in the year ended March 31, 1945, an increase of $440,374.

Liquor sales totalled $13,623,679, an increase of more than $1.5 millions. Permits, 313,868, were down about 12,000.

REFUNDING ISSUE

$12,828,000

The Shawinigan Water and Power Company

First Mortgage and Collateral Trust Sinking Fund Bonds
Series "L", 3%

To be dated March 1, 1946 To be due March 1, 1961

Principal and half-yearly interest thereon, March 1 and September 1, and redemption premium, if any, payable in lawful money of the Dominion of Canada at the principal office of the Company's Bankers in the Cities of Montreal or Toronto at the option of the holder. Redeemable prior to maturity, in whole at any time or in part by lot from time to time, on at least 30 days' prior notice at the following percentages of principal amount, with accrued interest to the date fixed for redemption: at 104% if redeemed on or before March 1, 1948; at 103% if redeemed thereafter on or before March 1, 1951; at 102% if redeemed thereafter on or before March 1, 1954; at 101% if redeemed thereafter on or before March 1, 1957; at 100½% if redeemed thereafter on or before March 1, 1960; and at 100% if redeemed thereafter to maturity. Coupon Bonds, registrable as to principal in Montreal and Toronto, in interchangeable denominations of $1,000 and $500.

Trustee: Montreal Trust Company

In the opinion of Counsel these Bonds will be a legal investment for Insurance Companies registered under The Canadian and British Insurance Companies Act, 1932 (Dominion) as amended.

The $12,828,000 First Mortgage and Collateral Trust Sinking Fund Bonds Series "L", 3% hereby offered are being issued to retire $12,828,000 First Mortgage and Collateral Trust Sinking Fund Bonds, Twenty-five Year Series "F", 4% now outstanding, which are to be called for redemption.

PRICE: 101.25 and Accrued Interest

We offer these Bonds as principals if, as and when issued by The Shawinigan Water and Power Company and accepted by us, subject to the approva of all legal matters, on behalf of the Company, by Messrs. MacDougall, Scott, Hugessen & Macklaier, who will also act for the Underwriters. Subscriptions will be received subject to rejection or allotment, in whole or in part, and the right is reserved to close subscription books at any time without notice. It is expected that Trustee's Interim Certificates, exchangeable for Definitive Bonds of the Company when available, will be ready for delivery in Montreal and Toronto, on or about March 4, 1946.

The Dominion Securities Corporation Limited
Wood, Gundy & Company Limited — A. E. Ames & Co. Limited — Collier, Norris & Quinlan Limited
Nesbitt, Thomson & Company Limited — Royal Securities Corporation Limited — L. G. Beaubien & Co., Limited
McLeod, Young, Weir & Company Limited — Greenshields & Co Inc — Savard, Hodgson & Co., Inc.
W. C. Pitfield & Company Limited — Bell, Gouinlock & Co. Limited — Mills, Spence & Co. Limited
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R. A. Daly Co. Limited — Canadian Alliance Corporation Limited — Anderson & Company
Mackenzie & Kingman — J. C. Boulet Limitée — Lagueux & DesRochers Limitée
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Cornell, Macgillivray Limited — F. J. Brennan & Company Limited — T. M. Bell & Company Limited

Statements contained herein are based upon information which we believe to be reliable but are in no event to be construed as representations by us.

February 27, 1946

THE WASHINGTON LETTER

Telephone and Mine Tie-ups Feared Despite New U. S. Wage Policy

Special Correspondence

WASHINGTON — The United States new wage-price policy, appears to be having the desired effect. Settlement by the United States Steel Corporation of its strike was followed quickly by similar settlements of the strikes against Bethlehem Steel and Republic Steel, respectively second and third largest USA steel producers, and against a large number of independent steel companies, and Aluminum Company of America. The policy gave renewed impetus to the General Motors-United Automobile Workers negotiations, which may soon end this tie-up of more than 13 weeks duration.

On the horizon, however, are two strikes which would have repercussions as widespread as those of the steel strike. One is that of the National Federation of Telephone Workers, whose executive board has ordered its 150,000 workers to go on strike March 7. The union is demanding a flat $10 a week raise, a minimum wage of 65 cents an hour and a 40 hour week. If this strike develops, it will be felt in every state in the country.

The other is a possible strike by the United Mine Workers after April 1. A walkout by the bituminous coal miners would be as heavy a blow to reconversion and high production, as was the steel strike. When, during the war, United Mine Workers walked out the government took over the mines and the men went back to work pending settlement. Now that the war is over it is not clear that the Union would give equal respect to similar action.

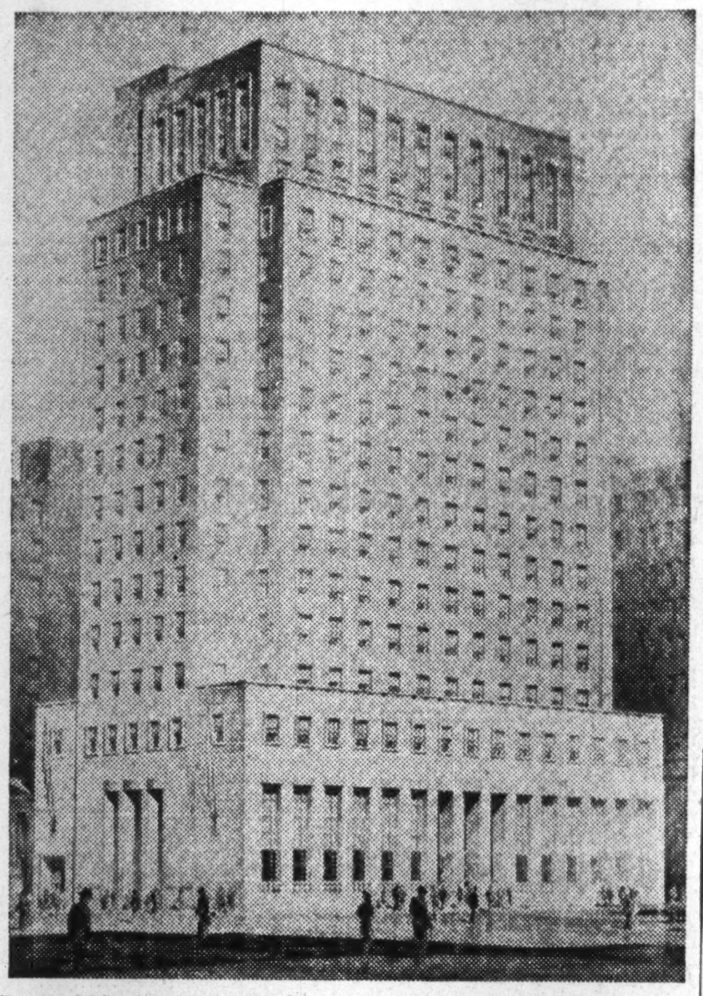
• • •

Seaway Project Up For Its Third Round

The St. Lawrence seaway is back in news again for the first time since Pearl Harbor. Under-secretary of State Dean Acheson, before a Senate Foreign Relations subcommittee urged adoption of the agreement on grounds both of national security and of strong foreign trade. Navy Secretary Forrestal and War Secretary Patterson have written Secretary of State Byrnes that "success in any future world conflict would probably require utilization of the ultimate transportation facilities of the U. S. and possibly Canada."

The project would produce 2.2 millions horsepower, divided equally between the United States and Canada, and would open the Great Lakes to ocean shipping by a 27 ft. channel from the Atlantic to Fort William, Ontario on the Canadian side and Duluth, Minnesota on the U. S. side, a distance of over 2,700 miles. Costs are estimated at from $300 millions to $1.5 billions. First proposed in 1895, a treaty was defeated in 1934 as the result of a filibuster by Senator Theodore F. Bilbo (D. Miss.). In 1941 it was again proposed by President Roosevelt, in the form of an agreement, rather than a treaty, but consideration was set aside because of the war.

Despite considerable support in the Senate, its chances of enactment soon are considered doubtful. Railroads, present Atlantic ports, and many power companies oppose it. The large New York contingency in the House of representatives is cool toward the proposal, despite the fact that its proponents say New York would benefit most.



Bank of Montreal proposes immediate resumption, for completion spring 1948, of this $4 millions 16-story regional head office building at King and Bay streets, Toronto. Architects are Chapman, Oxley & Facey, Marani & Morris and K. R. Blatherwick of the bank staff; general contractor, Anglin-Norcross (Ontario) Ltd. Half of the required 1,700 tons of structural steel was in place when work was halted Sept. 1939. About 90,000 of its 150,000 sq. ft. of floor space will be for rent.

The Percival "PROCTOR V"

Another PERCIVAL ACHIEVEMENT!

James Mollison, world famed, long distance and record breaking pilot recently added one more to the already impressive list of noteworthy flights by Percival aircraft when he completed a delivery flight from England to South America in a "Proctor V." This trip covered a distance of 4,600 miles including a 2,200 South Atlantic crossing.

James Mollison, famous distance flyer who piloted the "Proctor V" on the recent delivery flight from England to South America.

YOUR FIRST ALL BRITISH POST-WAR AIRCRAFT

The "Proctor V" is a 4 place, low wing cabin monoplane, powered by 210 H.P. de Havilland Gypsy Queen II engine. With winterization tests satisfactorily completed in Winnipeg and a two-way R. C. A. Victor Radio installed, the plane is now completely equipped for either executive or charter use.

INQUIRIES INVITED

Full details regarding the "Proctor V" may be obtained from J. F. Carroll, Acting Manager, Percival Aircraft Limited, c/o de Havilland Aircraft Limited, Postal Station "L", Toronto.

Helen Harrison, Chief Test Pilot and Demonstrator. With a splendid war record in the A.T. in England, she is one of Canada's foremost woman pilots.

PERCIVAL AIRCRAFT

Percival Aircraft Ltd., Luton, Bedfordshire, England — Toronto, Canada.

Labor Roundup

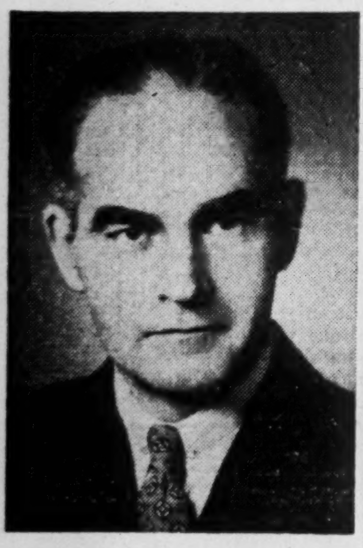
Union Leaders Expect June Will Bring Likelihood of New Strikes on Wage Issue

UAW and UER & MWA First Unions to Announce Wage Increase Objectives of $2 a Day

Canadian Miners to Retain Affiliation With CCL Pending October Convention

Canadian Seamen's Union Ultimatum Is 8-hour Day or Shipping Strike

No Likelihood of Canadian Telephone Systems Being Involved in U.S. Strike



CHARLES R. WILSON

who has recently been appointed Secretary of the Montreal office of the Toronto General Trusts Corporation. Mr. Wilson joined the Corporation in 1927 and has had a wide experience of Trust Company work. During the war years, his services were loaned to the Bank of Canada, and he served on the administration of the United Kingdom Security Deposit.

Canada's Strike Picture

which has been painted in subdued colors since the termination of the Ford strike last December, is likely to get more vivid hues by early summer. That's the word from officials of CCL unions who are preparing their co-ordinated drive for higher wages and shorter hours. Accompanied by less fanfare than that accorded UAW's public announcement of a $2 a day increase objective, United Electrical, Radio and Mechanical Workers of America decided to aim for the same target at their executive meeting in Niagara Falls on Feb. 10.

As with the UAW, most of the union's major collective agreements come up for renegotiation in the next two months. Federal labor regulations dictate a 60-day negotiation period before strikes may be legally called, which would bring the issue into sharp focus about mid-June. Union leaders frankly expect their demands will not be met and are preparing now to back them up with strikes.

"Employers we have discussed the problem with to date," one official said, "have shown no indication of even considering the smallest of wage increases demanded. Strike action will probably be our only recourse."

• • •

First Shots Fired

in CCL's co-ordinated wage campaign have come from two of the Congress' biggest guns, United Automobile Aircraft and Agricultural Implement Workers and United Electrical, Radio and Mechanical Workers. Both have announced their objectives as wage increases of $2 a day, coupled with the 40-hour week.

Next step in the campaign will be for locals of the union to present formal demands. The UAW covers some 50,000 workers in nearly 100 plants and many existing agreements are to come up for renewal between now and April 30. By the time collective bargaining has begun, the parent CCL's wage coordinating committee will probably have determined on a uniform course of action for the UAW and other unions in the steel, rubber, packing house, electrical, coal, metal mining and smelting industries.

UAW will base its demands on much the same formula as that adopted by United Steelworkers in their successful U. S. strike, labor leaders believe. Few expect the union to follow in the steps of its American brothers by asking for companies to open their books or basing wages on "future ability to pay." In CCL circles generally, it is believed that Walter Reuther did his cause more harm than good by these tactics and that a direct demand for more take-home pay has the best chance of success.

An indication of the likely trend is seen in a statement by George Burt of Oshawa, Canadian director of the UAW and a member of the CCL co-ordination committee. He said that workers have suffered reductions "of between $10 and $15 in weekly take-home pay" and that their living standards are deteriorating. Recent increases to American automobile workers, he added, had made the difference in rates for comparable jobs "sometimes as much as 40 cents an hour."

• • •

Canadian Mineworkers

will continue their membership in the Canadian Congress of Labor, although their brothers in the United States have joined the AFL. This was revealed in Sydney, N.S., by Freeman Jenkins, president of District 26, UMWA. When John L. Lewis joined the AFL as 13th vice-president and took with him his whole union, it created something of a problem in Canada, where UMWA was not an entirely independent union as in U.S. The mineworkers called an international board meeting to discuss the question of affiliation and it was decided that Districts 18 and 26 would remain in the CCL until final decision at the UMWA international convention next October.

• • •

Communications Strikes

are threatening to tie up telephone systems all across the United States, starting Mar. 7, but indications are that, as during the last strike, Canadian services will not be affected. Only points in Canada likely to be tied up are Rainy River and Fort Frances, Ont., both of which are in contact with eastern Canada only via International Falls, Minn. Officials of the Traffic Employees' Association, recognized bargaining agents for Bell Telephone Co. employees, report their organization is not affiliated with the U. S. National Federation of Telephone Workers.

• • •

8-hour Day for Sailors

is the ultimatum placed before Canadian shippers by Pat Sullivan, president of the Canadian Seamen's Union this week. Opening the CSU convention in Montreal, Mr. Sullivan threatened to tie up all lake and coastal shipping unless the union gets "an eight-hour day without reduction in wages." Many will agree with his assessment of the 12-hour day as "health-wrecking" but the demand for a 50% wage increase to accomplish the reduction would suggest a difficult negotiation period. Not even the steelworkers set their sights quite that high.

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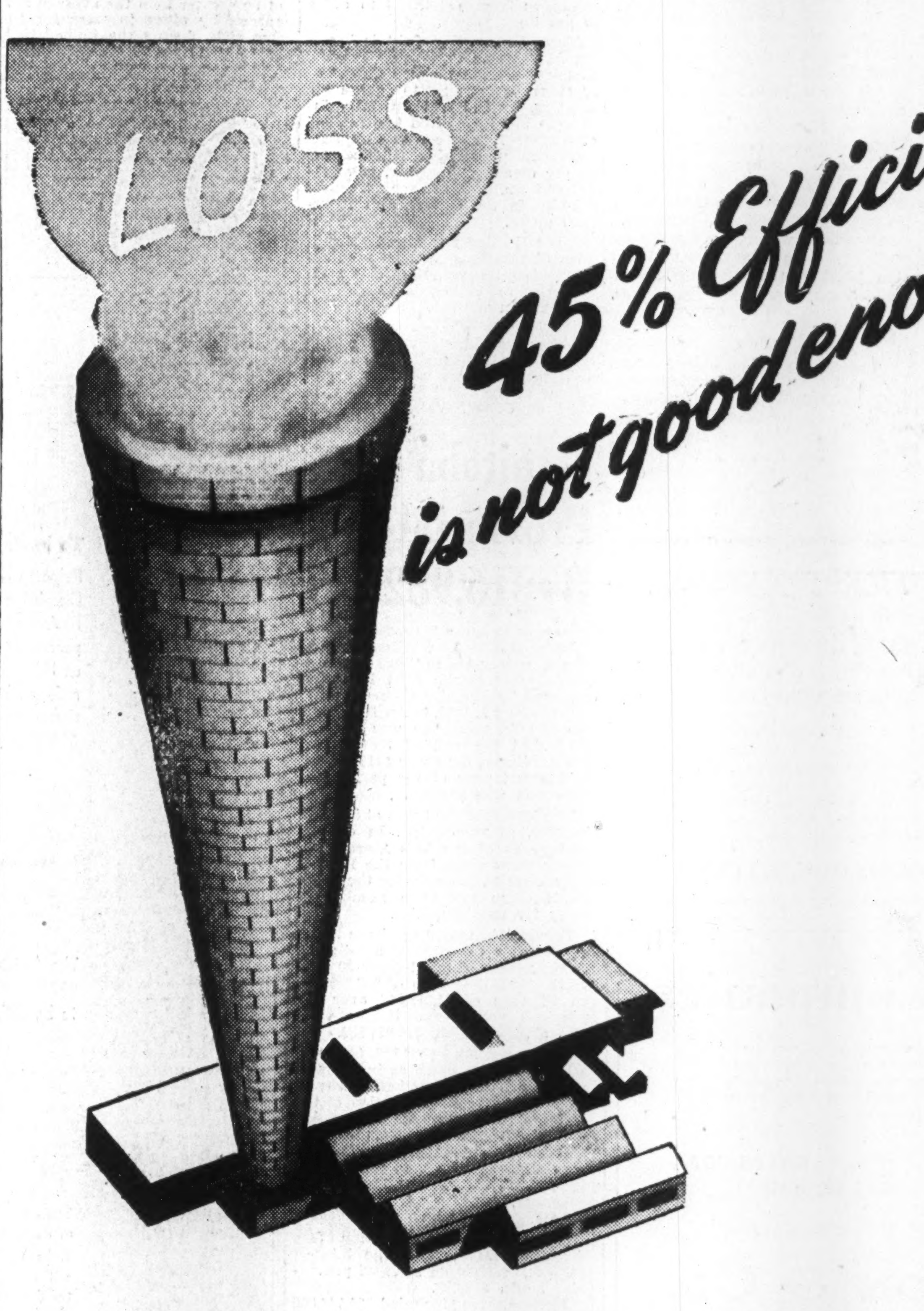

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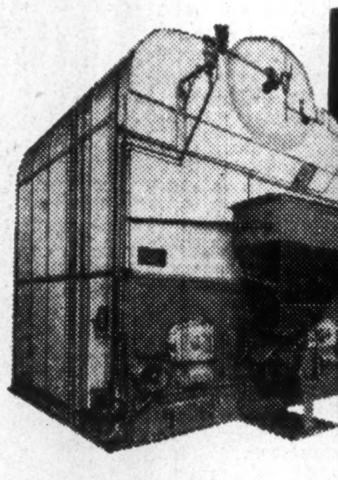
How old is your boiler? If it is an old warhorse and took a beating during the war in 24-hour service and overloads, it may be high time to study your cost figures!

Unseen losses . . . up the stack, through radiation and through unburned fuel . . . come high. Old, worn-out steamplants become so inefficient that they may be losing up to 55% of the heat in your fuel. Can you afford a loss of this size in the postwar competition?

Investigate the savings possible with a Vickers-Keeler Boiler designed to your needs. Through proper control of air, efficient insulation and the transfer of the maximum heat into steam, a Vickers-Keeler Boiler will increase your steamplant efficiency and cut your costs.

Ask your Consulting Engineer to check over your present equipment and give a report on its efficiency, together with recommendations for alterations or replacements. He will give you the engineering data necessary for a sound decision. Vickers will gladly co-operate.



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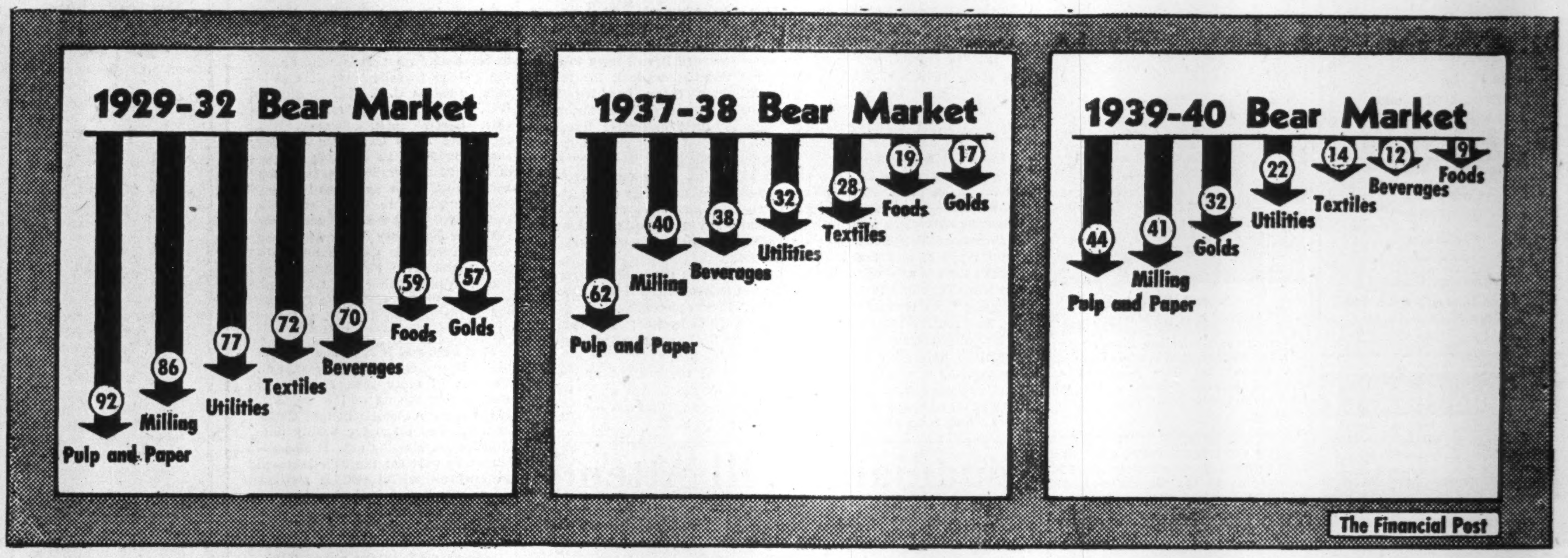
The Financial Post

Vol. XL | Ten Cents an Issue, Five Dollars a Year | Publication Office: Toronto, March 2, 1946 | Member of Audit Bureau of Circulations | No. 9

Which Stock Group Falls The Hardest?

With stock markets slipping sharply for the first time since 1942, key market question is whether to ride out the decline in the hopes that only a correction of the bull market is under way, or to sell out on the assumption that a bear market is beginning. For those who take the more pessimistic view, the Post charts of three bear markets may be of assistance. They show that in all three the paper and milling stocks led the way down. Gold mines, which have no sales problem in disposing of their product, have usually resisted the declines. It should be borne in mind that the percentage declines shown apply to Dominion Bureau of Statistics averages—the performance of individual securities may differ markedly from the averages.



Figures on three Bear Markets show best stocks to hold on the way up are the worst on the way down —

(Figures on arrows show the percentage drop of each group — taking the market peak as 100)

Our $50 Million Rubber Gamble

—Is delivering the goods at 20 cents a pound.
—May lose part of the tire market because synthetics slip on ice and snow.
—But will gain broad new market in upholstery, insulation and other foam rubber products.

By KENNETH R. WILSON

You and I, as Canadians, have $50 millions invested in the rubber business.

Our plant, you remember is at Sarnia. It is called: Polymer Corp.

Technically, this plant is rated as one of the best in the world. Production costs have been steadily reduced.

But who's going to buy synthetic rubber now that the war is over? Are we, as taxpayers, going to be thrown for a loss? These are big, challenging questions for taxpayers, businessmen and investors.

Rubber is one of the most universal of all raw materials. We found that out in 1942. But it is an item with a checkered career—profit-wise. Crude rubber at New York was priced as high as 82c. a pound in 1913. It was selling as low as 3½c. a pound in 1932. All of which suggests this is risky business for Mr. and Mrs. Canada.

But at Sarnia, a few days ago, I found solidly-based facts which seem to support the view that Polymer has a future. There are plenty of hurdles and lots of questionmarks. But here are the main points:

Costs: Polymer can now produce synthetic (Buna-type) rubber for 16½c. a pound, exclusive of depreciation and any return on investment. Present selling price in Canada for GRS is 20.35c. per pound. GRS is the trade name for the Buna rubber now used for cars, footwear, merchanical goods, etc.

Depreciation, at say 2 cents a pound, would write off the plant in 12 to 13 years, if operations were at or near capacity. This still leaves a margin of something better than 1¾ cents per pound. (In Hansard last year, Polymer's costs were incorrectly stated. At that time it was reported that Polymer could produce Buna at something under 17 cents a pound after chaarging 2¾ cents a pound for depreciation. Actually the 17 cent figure was **before** depreciation.)

Crude Rubber: No one knows yet where crude rubber prices are going. Labor costs in the Far East are rising, but yields may increase as production is resumed. It is claimed that some rubber companies have predicted that so long as synthetic rubber remains at least 2 cents a pound below crude, they will use at least 50% synthetic.

No substantial quantities of crude are expected for several months. Meanwhile, crude suppliers have announced a new postwar price of 20¼c. per pound, f.o.b. Far East, equivalent to 25c. laid down here (Canadian funds). This gives Canada a margin of 4½c. over present Buna selling prices.

On top of this, the government presently adds an "accountable advance," adding a surcharge of 2.9 cents a pound on all crude rubber used for civilian purposes in Canada. Presumably this surcharge will continue until higher priced inventories are used up.

U. S. Prices: The present U. S. price for Buna rubber is 18½ cents (U. S. funds). The most efficient American plants expect, in the not-too-distant future, to produce Buna and sell it easily at 15c. a pound (U. S. funds) or perhaps lower if necessary. Anticipated reductions in operating costs at Sarnia are expected to permit Canada to maintain a competitive price. That is, assuming the 10% exchange premium exists. Were this to be removed, Canada's position would be more difficult. The most efficient American plants have considerable natural advantages over Sarnia in cheap fuel and raw materials. But Canadian labor and operating costs are lower.

Butyl: This type of synthetic rubber (called GRI in the trade) is used for making inner tubes. Best trade opinion is that GRI has permanently ousted crude for this purpose.

Canada is now producing the best and cheapest butyl in the world (about 2 million lb. monthly) half of which is exported to the United States. No difficulty is seen in finding a permanent, profitable market for all the butyl Canada can produce. Butyl represents 25% of Polymer capacity. In 1945, Canada took a loss on butyl sold to the United States; but recently, the selling price was upped from 16½ to 20.35c. a pound (Canadian funds).

Exports: Canada has the only synthetic rubber plant in the British Empire. To date, because Canada has had no export surplus of Buna, the United States, by agreement, has supplied Britain, France and the Commonwealth. These agreements end in 1946. Their termination may open an important export market for Canada. Eventually, Britain may want to "swap" Canadian Buna for Malay "crude." Scandinavia and some European countries are now seeking Canadian Buna. Small quantities are now exported to Belgium, Sweden, Denmark.

Latex: In the past, latex or sponge rubber commanded a premium of 3 to 6 cents a pound over ordinary crude. Synthetic plants can produce a latex for good sponge rubber at approximately the same cost as Buna. Just how saleable this product will be is yet to be proven. But possibilities for future sale and development are thought to be good.

General use of sponge rubber in car seats (for example) would add 50 pounds or more to the rubber content of an ordinary car. This compares with between 80 and 90 pounds of rubber in one set of five standard tires.

Other Profit Sources: Polymer has already contracted to supply styrene to the new adjoining plastic plant of Dow Chemical Co. Other important outlets for synthetic rubber component materials are expected. Annual expenditure of $250,000 for research at Polymer has already been approved. In time, a very considerable related industrial community is expected in similar or related types of products, in and about the Polymer area.

Over-all Profits: Working at or near its present capacity of 9,000,000 pounds of rubber per month, Polymer sales (at present prices) should bring gross revenue of close to $22 millions a year. Actual production costs should not exceed $18 millions. Depreciation at 2c. a pound and interest charges at 3% on the present balance sheet value of the plant ($26.6 millions) would absorb just under $4 millions, leaving a profit of $600,000 per annum.

It was mentioned earlier that taxpayer investment at Polymer was $50 millions. Actually government accounts show $51.5 millions. Of this, $1.8 millions represented disposable surplus turned over to War Assets Corp. This left the property at $49.7 millions.

But government accountants have now decided that only $26.6 millions of this is properly chargeable as a peacetime capital cost. The remainder has, therefore, been absorbed into consolidated government accounts. This remainder is said to represent a fair "normal" value for the buildings and equipment at today's prices.

When Polymer was first built, it was planned with annual capacity for 34,000 long tons of Buna-S rubber and 7,000 long tons of butyl. Performance shows the plant can handle annually and with no great difficulty, from 36,000 to 40,000 tons of Buna, and from 10,000 to 12,000 tons of butyl. Put another way, present output is at the rate of about 9 million pounds of rubber a month of which 7 million is Buna and 2 million butyl.

Polymer Corp. is really a coordinating company charged with financial and administrative control of a number of operating firms. When created originally by the government in 1943, it was charged with responsibility for making something about which it knew nothing. Lacking "know-how" it turned to U. S. and Canadian industrial plants; put them to work in Sarnia on a management fee basis. The three operating subsidies are:

Dow Chemical Co. which manufactures a basic ingredient—styrene.

St. Clair Processing Co., an Imperial Oil subsidiary charged with obtaining and preparing the petroleum "fractions" needed to make synthetic rubber. It also makes butyl rubber.

Canadian Synthetic Rubber Co.: The "producing" firm, for Buna rubber. It is controlled jointly by four Canadian concerns: Goodyear, Dominion Rubber, Goodrich and Firestone.

Each of these four companies acts independently, and the finished product is sold by Polymer.

Douglas W. Ambridge, vice-president of Ontario Paper Co. at Thorold, is president of Polymer. Gilbert A. LaBine of Eldorado is vice-president. J. R. Nicholson is managing director and treasurer. Other directors include: Wallace R. Campbell, president of the Ford Motor Co.; A. C. Guthrie, president of Simmons, Ltd., Montreal; J. A. Hodgson, investment dealer of Montreal; A. J. Crawford, international representative, Sheet Metal Workers International Association of Toronto. According to a return tabled in Hansard last October, directors receive no salary, except Mr. Nicholson whose annual salary is $25,000.

Of the 1,800 people presently working at Polymer, 300 are employed by Canadian Synthetic Rubber; 100 by Dow Chemical; 200 by Polymer directly and 1,200 by St. Clair Processing. The latter figure includes a large number of employees connected with the power plant, machine shops and general services.

Setup Likely to Continue

Just here is a nice problem with which political leaders will have to wrestle, sooner or later: Should this government - industry partnership continue indefinitely with Polymer paying a fee to private companies for "know-how?" During the war there was no alternative. These companies knew how to produce synthetic rubber or its ingredients. Canada didn't know; nor did any company in Canada know, at that time.

Many believe this unique partnership should be continued in peace—from the viewpoint both of government and of industry. No one company, it is argued, is likely to be interested in taking over the plant, but the government can continue to make the whole thing work, especially since the national interest requires continuance, in some form, of a "domestic" source of rubber.

The government, both here and in the United States, has acquired from Standard Oil the rights to the Buna-S process. There is no continuing royalty payment, these having been cancelled by the company in lieu of a flat payment by each government toward initial Buna-S research. In the case of Dow Chemical, Polymer pays a royalty as well as a management fee. Imperial Oil and the Canadian rubber companies receive management fees.

Waste in Present System

However, Polymer is not tied exclusively to Imperial as its source of petroleum "fractions." At present, most petroleum used by Polymer is pumped directly from the adjacent Imperial plant. In time, it is expected that Polymer will be able to pick up from other oil companies some of the "fractions" of crude oil which it needs and they don't need. That, in turn will permit the Imperial plant to operate a more balanced program, and will give Polymer cheaper raw material. It won't have to break up extra amounts of crude just to meet Polymer's needs.

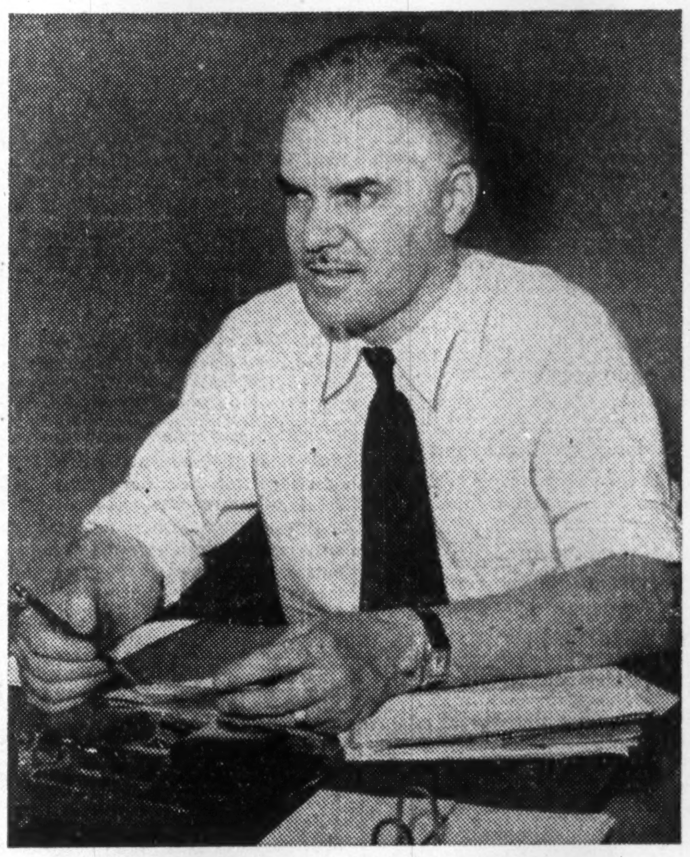
(This buying and selling of petroleum fractions is an extraordinary business. It is so highly organized, that after Polymer has used the "fractions" it needs for synthetic rubber, it pumps the residue back to Imperial and gets a "rebate").

Right now, no one will go too far out on a limb as to the eventual place of synthetic and crude rubber. But it seems clear that synthetic rubber is here to stay for a number of important uses; that it will continue to be the "balance-wheel" if not the major ingredient in motor car tires. Were there no synthetic rubber plants in North America today, crude rubber would probably be selling at fabulous prices—even if supply were beginning to meet demand. For instance, native workers in Malay used to be paid 20 to 30 cents a day. They now want $2 a day. And every 10 cents a day increase in pay, means an extra cent in the cost of crude rubber.

When the time came to set a price for crude rubber some weeks ago, growers held out for a minimum price (at the plantations) of 23 cents a pound. Negotiators on this side of the world, knowing that crude would fight a losing battle with synthetic, so long as prices remained apart, urged a price of 17 cents. The final result was a compromise —20¼ cents a pound f.o.b. the Far East.

What the price will be toward the end of 1946, after new crude prices

(Continued on page 10)



Guiding genius of Polymer is John R. Nicholson who left his Vancouver law practice in 1941 to become Deputy Controller of Supplies at Ottawa. In that position he became the centre of the Polymer synthetic rubber program. Now he is managing director of the big government company.

Canadians To Be Older, More Feminine Race Within a Generation — Or So the Book Says

By ROYD E. BEAMISH

Canada is slowly becoming a nation of old men.

That is the conclusion of a survey made by the Dominion Bureau of Statistics, in an attempt to predict the Dominion's growth pattern. Leaving aside such influences as immigration and emigration, another war or a major depression, the survey has measured Canada's fertility and mortality patterns, plotted their trends and projected them 30 years into the future.

Statistics predict that by 1971 Canada will have 14.6 million people instead of the 11.4 millions shown in the last census. But distribution of that population in various age groups (see accompanying table) presents the picture of a greatly changed Canada.

Three major trends are revealed by the survey. They are:

1. Canada has only 20 years left of being a "young" country. By 1966 there will be more Canadians over 35 than under.

2. The era of male supremacy in Canada is ending. At the moment there are more men than women in every age group up to age 80. By 1971 women will outnumber men from 50 years of age on and will have narrowed the gap in all other age groups. Succeeding decades will witness a surplus of women at earlier ages.

3. The next 30 or 40 years offer Canada her greatest industrial opportunity. Our labor force will increase by 40% by 1971 and reach an even higher figure before it begins to decline.

That is the general picture as seen by the population survey. Immigration can, and undoubtedly will, alter it to considerable extent. A war, a major depression, a famine or a deadly epidemic, can knock present calculations into the proverbial cocked hat. But the trend is established and, in theory at least, its development is only a matter of time.

When the predicted changes begin to make themselves felt, they will have considerable effect on much of our lives. Our way of doing business will have to change to meet the changing market; our national likes and dislikes will change —even, perhaps, the way we think, and the kind of men we will choose to govern us.

1. AN OLDER PEOPLE

The shifting balance of power from comparative youth to comparative age is perhaps the most important factor of the three. Right now we have about one million babies under four and nearly 800,000 men and women over 65. By 1971 we'll have only 900,000 babies and 1.5 million old folks. That means more and more emphasis on the production of goods for old people and less on things for infants and children. The accompanying chart shows how this balance will shift.

The tax structure, also, will change. Today we have something like six million people of working age supporting four million children and 700,000 old folks. By 1971 there will be nine million workers supporting four million children and 1.5 million patriarchs. That means taxes for old-age pensions will be higher, while funds required for family allowances will be less.

Authorities who have to plan our schools have the biggest headache with which to contend, and not much time to prepare for it, according to the statistics. School-age population has been increasing steadily and school facilities have been enlarged accordingly. Between now and 1951 we will have to expand our primary schools sufficiently to take care of an additional 200,000 pupils. But as soon as those new wings and additions have been built, by 1951, the trend reverses itself and we'll be busy tearing down or closing up accommodation at the rate of 10% per decade until at least the year 2001. The decline will continue after that, but not at such a sharp rate.

The logical conclusion would seem to be to build new school additions as strictly temporary structures; but the statisticians advise against this. For one thing, if the trend to higher education continues to grow, our primary school capacity can be turned over for university or high-school use. Failing that, we're going to need a lot of extra accommodation for old men and women. By 1951 their number will have increased 43%, by 1961 it will be up 70%, and by 1971 they will have more than doubled.

While our schools are contracting (and with them the demand for bicycles, roller skates and all the paraphernalia of childhood) the upper-age groups will be increasing. This should mean that the housing problem will continue to grow steadily, as more and more men and women reach marriageable age and join the ranks of householders.

The type of government which will deal with that problem in 1971 will be influenced by the same circumstances that produced it. Right now men and women in the 21 to 39 age group represent half our

(Continued on page 23)

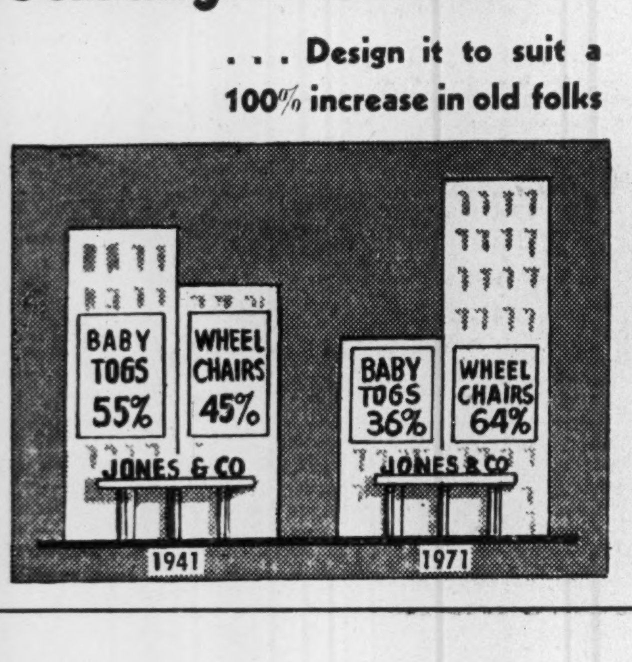
Portrait of the Future

Here is Canada's growth pattern for the next 25 years as seen by the Dominion Bureau of Statistics' population "projection." The percentage figures in brackets indicate the proportion each age group will bear to total population.

	1941	1971
	(000's omitted)	
0 to 4 years	1,050 (9.1%)	960 (6.5%)
5 to 19 years	3,263 (28.3%)	3,145 (21.5%)
20 to 49 years	4,906 (43.1%)	6,514 (44.6%)
50 to 64 years	1,506 (13.1%)	2,464 (16.9%)
65 years and over	765 (6.4%)	1,523 (10.5%)
Totals	11,490	14,606

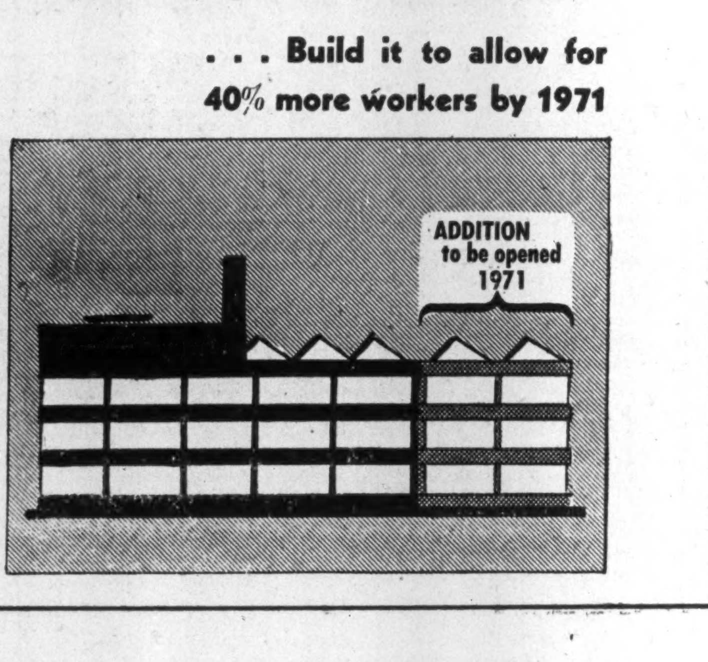
Starting a Business?

. . . Design it to suit a 100% increase in old folks



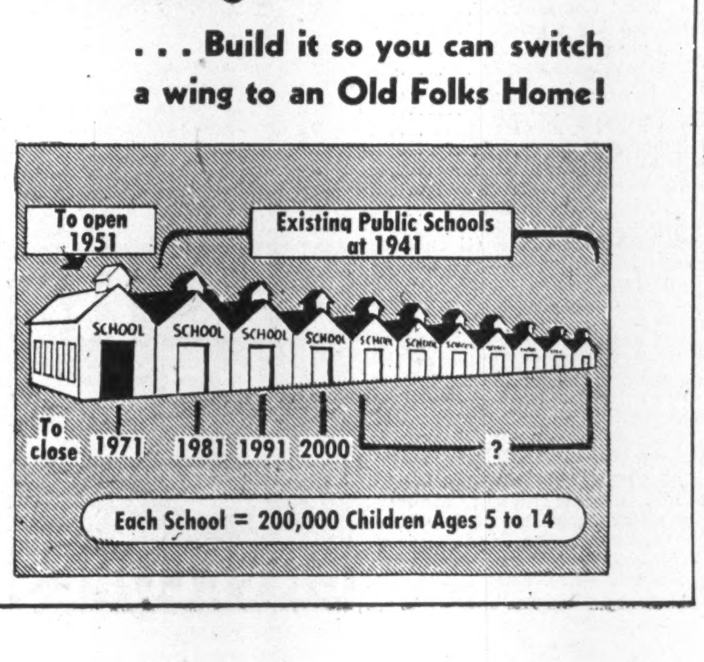
Building a Factory?

. . . Build it to allow for 40% more workers by 1971



Building a School?

. . . Build it so you can switch a wing to an Old Folks Home!



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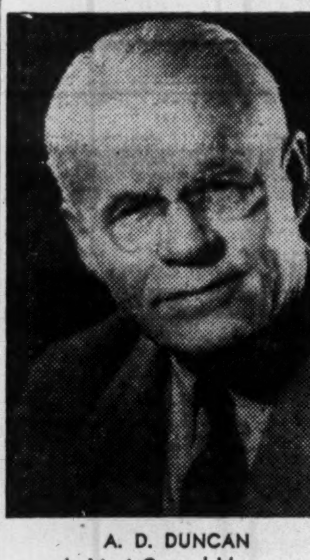
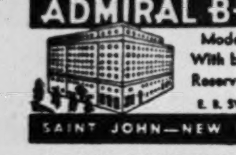
IMPERIAL BANK OF CANADA APPOINTMENT



A. D. DUNCAN
Assistant General Manager.

For many years Winnipeg Manager and later Superintendent of Western Branches, Mr. Duncan has been appointed an Assistant General Manager. He will continue to handle Western business from Winnipeg.

The ADMIRAL BEATTY



Modern, Fireproof. With bath from $3.30. Reservations advised. E. S. SWEENEY, Manager

SAINT JOHN—NEW BRUNSWICK

CITY OF KITCHENER, ONT. has sold $250,000 10-year installment 2% debentures to the Dominion Bank at 101.10, to yield about 1.79%.

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the Year-round resort!

AGAIN INVITES CANADIANS!

BEAUTIFUL NASSAU, favourite Caribbean resort of Canadians, is again happy to invite you to rest, play, and relax in this haven of subtropical colour and sunshine.

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1817-1946

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General Manager: THOMAS BAKER HEFFER

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Branches throughout Australia, New Zealand & Pacific Islands.

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and 47 Berkeley Square, W.1.

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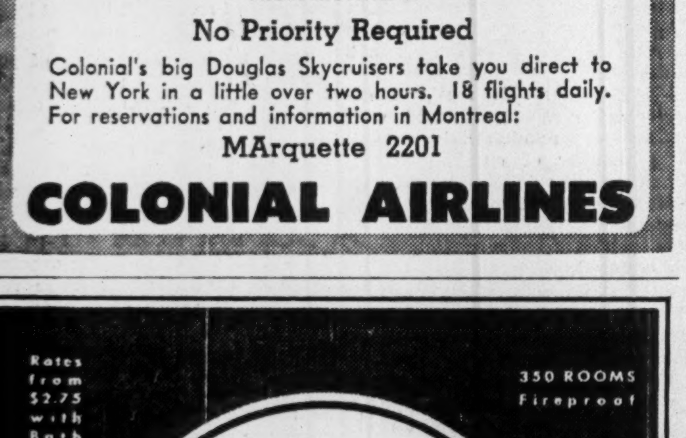

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Travel Business

Canadians Eager to Sail Soon as Ships Available

The Canadian office of the British Ministry of War Transport may close next week, which probably signifies that the British Government is about ready to return ships to the owners. But even this will hardly solve shipping problem. Canadian hopes that more ocean passenger service will soon be available may be delayed in fulfillment.

There is some evidence here and there that more passenger ships are again plying the seas. For example, the Swedish-American Line sails its first ship from New York since the war on April 6, and the Holland-American Line is now operating between New York and Rotterdam.

Shipping lines generally will not know, however, what service they can offer until their ships have been returned to determine if they are still seaworthy or what refitting and repairs are necessary. The case of a Norwegian company which before the war had four passenger liners is said to be typical. Two ships owned by this company were sunk during the war and the two which have been returned to it will have to spend some time in drydock for repairs.

Although delay has led many travellers to take to the air, travel men say that passenger lines will not have lost many customers once regular schedules have been established again. They report receiving hundreds of enquiries daily, particularly on pleasure travel. Many Canadians want to sail to South America; others to Bermuda and the West Indies.

Steamship companies operating Great Lakes trips tell The Financial Post that accommodation now is about 30% booked; one company says its St. Lawrence-Saguenay trip is 50% booked.

Much of the present uncertainty should be resolved if and when all shipping companies get the government green light.

Canadians Will Attend Big Swiss Fair in May

Switzerland expects to see hundreds of businessmen at Basle this spring (May 4-14) attending the 30th Swiss Industries Fair. Probably more than any other European country, the last war by-passed Switzerland and permitted it to keep up production which will likely play a substantial part in helping European rehabilitation.

Canadian business has a strong interest in Swiss trade and production. In 1945 Canadian exports to Switzerland were about $26 millions, while imports were around the $9 millions mark. This year Canadian importers expect better delivery of Swiss goods, with shipping restrictions gradually being eased. Also, the dollar contingent is off Swiss exports and with it goes the dollar-quota-permit which Swiss manufacturers formerly had to get from the Swiss Federal Bank, before goods could be shipped.

The list of products to be exhibited at the fair, starting with applied art and ceramics, includes products from practically every phase of business—pharmaceutical products, heating appliances, toys, textiles, foodstuffs, tools and instruments. Geared bicycle is another Swiss product which is reported to be making a bid for world markets.

Swiss fair officials offer one word of warning to Canadians who hope to attend—make your plans early. Accommodation is ample, but transportation on the continent is still uncertain. From Canada probably the best method of travel is by plane or ship to Britain and then by plane to Switzerland. An alternate route from New York to Le Havre or Rotterdam means a train journey to Zurich (two hours from Basle) and travellers are advised to find out in advance about schedules and accommodation.

Considerable time is also required to fill out forms and obtain passport and visas. Travellers landing in France or The Netherlands require transit visas to pass through those countries. Visitors will not have to bother about changing Canadian money into Swiss francs until they arrive, since Swiss money is not available in Canada. However, Swiss representatives advise transferring Canadian money into American dollars since value of the franc is based on American currency. Exchange rate at present makes the Swiss franc worth about 26c., American currency.

Bank Borrowings Rise But Farm Loans Lower

For the first time since 1941 Canadian businessmen are borrowing more money from the chartered banks than in the year previous, the annual classification of bank loans in Canada, as at Oct. 31, 1945, shows.

Total loans on that date were $1,139.5 millions, $89.9 millions, or 8%, higher than in the previous year. Of 16 general classes into which all bank loans are broken down, increases occurred in 11.

The largest increase was shown in call loans to brokers and security dealers which rose $73.8 millions to more than double the previous year's figures. The increase is attributed to more active security markets and higher prices. To the same cause is attributed an increase of 38% in borrowing by individuals against securities. If to these two are added loans to specified financial institutions, such as trust companies, total financial loans amount to $337.3 millions a gain of 61%. Financial loans were by far the largest general classification,; taking the lead held by agricultural loans for many years previously.

An increase of 26%, to $153 millions, was shown in borrowing by merchandising, wholesale and retail interests. This group of loans showed a tendency to rise in 1944, which has become more evident since the war ended. Some bankers report a moderate but definite upward trend, evident in this group, due to somewhat larger inventories being carried.

The miscellaneous manufacturing group of industries, however, borrowed substantially less than in the previous year, a drop of 6% apparently being due partly to cessation of war work in many war plants and partly to lack of raw materials for civilian goods.

Agricultural loans dropped 32% to $180.8 millions. But while grain loans were down, loans to farmers, cattlemen and fruit growers were higher. Decline in the first group was due mainly to the rapid movement of grain for export or into consumption, which reduced the need for bank credit. Also many dealers and exporters are in such good financial shape they don't need to borrow as much as formerly.

The rise in borrowing by farmers, cattlemen and fruit growers is attributed largely to loans to stockmen to finance purchases of cattle, hogs and feed.

While municipalities have been able to reduce borrowing, provincial government loans are higher since 1940. Various provinces have been using bank credit when possible, rather than issuing bonds.

Building contractors borrowed more, as did also churches and hospitals and the forest products industries. Mining and fishing loans were lower.

ANNUAL CLASSIFICATION OF LOANS IN CANADA
Millions of Dollars as at Oct. 31, 1945

	1945	1944	1943	1942	1941
Provincial governments	11.5	5.4	5.3	4.5	8.9
Municipal govt. and school districts	20.2	33.2	46.0	66.3	76.1
Agriculture					
Farmers; cattle loans; fruit	71.3	57.7	49.6	46.5	47.9
Loans to grain dealers; grain exporters and seed merchants	109.5	209.3	245.9	293.6	292.4
Total agriculture	180.8	267.0	295.8	340.1	340.3
Financial					
Call loans to brokers and dealers	130.6	56.8	39.4	26.8	37.7
Loans to specified institutions	34.2	27.6	27.1	37.3	68.3
To individuals against securities	172.5	125.0	100.0	83.7	108.1
Total financial	337.3	209.5	166.6	147.8	214.1
Merchandising, wholesale and retail	153.9	122.2	100.0	123.1	155.6
Forest products	61.4	52.8	43.4	41.6	44.4
All other manufacturing	189.2	201.6	259.4	213.9	245.0
Mining	11.5	12.7	10.0	8.9	7.1
Fishing, fish packers, etc.	11.4	11.6	8.3	9.6	10.7
Public utilities, also transport	7.8	6.3	13.4	14.3	19.9
Building contractors, etc.	47.6	39.0	45.5	49.4	50.4
Churches, hospitals	6.4	6.2	7.7	10.4	16.5
Other loans	100.4	82.0	74.4	76.2	84.0
Total loans in Canada	1,139.5	1,049.6	1,077.8	1,106.3	1,275.1

VICTORIA, B.C., has (1) engaged Ernest Mather, business and administrative analyst, to report how the civic government can be modified for increased efficiency; (2) approved engagement of E. S. Farr to advise on unified public transportation matters; (3) approved a $100,000 five-year street lighting improvement plan.

CANADIAN PACIFIC AIR LINES aircraft overhaul plant at New Westminster, has been sold to Murphy Associates, Portland, Oregon, for $137,500. The firm—now named Plyfab Ltd.—will erect a sawmill, kiln, veneer plant and boilerhouse.

GLOBE

ENVELOPES

1945 Tourists Nearly Double Previous Year's

Canadian merchants and businessmen this year are taking a second look at the recently published DBS travel data. First look will be at the 859,915 traveller's vehicle permits issued to U. S. visitors during 1945, almost twice as many as in 1944. Second look, however, will be at the 79,954 Canadian vehicles returning from U. S. after a stay of over 24 hours. That second look points up the new approach by Canadian business to travel statistics generally. Businessmen are now realizing that every dollar which the visitor spends in Canada he probably matched in his own town or city before starting his trip. And what is true for visitors to Canada, holds for foreign travelling Canadians.

That figure of 79,954 Canadian vehicles returning home represents an increase of more than 30,000 over 1944, which means that more than 30,000 more motorists bought Canadian gas and oil and probably new tires before starting out. It also accounts in part for the 25% increase in business which service stations experienced, and indicates why oil companies are setting up ex-servicemen in the service station business.

While the heaviest advertising campaign will still be aimed to get more visitors coming to Canada, department stores and other retailers are more and more pointing advertising programs at Canadians as travellers both foreign and domestic. Department stores particularly during the winter months are featuring merchandise for the Florida- or Bermuda-bound shopper. Store officials say that the display of summer merchandise in winter has had the added effect of catching the eye and the purse of non-travelling persons as well.

Travel men say travel spells prosperity for Canada whether the flow of tourists is in or out of the country. Flow inward helps the balance of trade, tourist businessmen and international relations. Outward flow means more retail sales, more employment.

G

Member Investment Dealers Association of Canada

Are You Still O'er Shadowed By This Burden?

Owners of privately-held or family corporations probably breathed a collective sigh of relief when the recommendations of the IVES COMMISSION in respect of undistributed profits from 1917 to 1939 became law.

It was welcome relief, *but from only a small portion of the crushing tax burden under which owners of private enterprises are still labouring.*

There remain other problems, in particular, that unknown quantity—the Succession Duty, which can conceivably bring to an abrupt and disastrous end, an old-established and successful business.

We have been successful in minimizing these potential liabilities for a considerable number of satisfied clients. It can be done in several ways—either by outright "Sale" or by recapitalization and a distribution of shares in small units among general investors of an amount sufficient to qualify for listing on a recognized Stock Exchange. Besides achieving the main goal there are other subsidiary benefits to be derived from this procedure.

We shall consider it a privilege to discuss these matters confidentially, and without obligation, with any individual, partnership or organization concerned to protect their immediate interests and those of future inheritors.

Gairdner & Company Limited
320 Bay Street, Toronto
ELgin 2301

Montreal Toronto Hamilton Quebec City

BETTER ROADS and bridges for tourist expansion and improved transport will be sought by provincial and municipal convention of Canadian Good Roads Association in Quebec City.

Allocate building supplies to the veteran individually—a bathtub, 8,000 brick, 10,000 feet of lumber, etc. That is basis of a revamped supply priority setup suggested to Toronto Metropolitan Home Builders' Association by Clayton Hurlburt, immediate past president. The association is discussing the idea with the National House Builders' Association, vets' organizations and civic authorities; may carry it to Ottawa's Reconstruction Dept. Priority Chief W. E. Uren.

PROVINCIAL TRANSPORT COMPANY

(including wholly-owned subsidiaries)

COLONIAL COACH LINES LIMITED — KINGSTON CITY COACH CO. LTD. — SHERBROOKE CITY TRANSIT CO. LTD.

SEVENTEENTH ANNUAL REPORT

for the year ended December 31st, 1945

Submitted at the Annual Meeting of the Shareholders held on February 22nd, 1946

To the Shareholders:

Your Directors herewith submit the Annual Report of the Company for the year ended December 31, 1945, together with Balance Sheet, Profit and Loss and Surplus Account statements.

Balance Sheet

The net Working Capital amounts to $310,124 as compared with $640,322 in 1944. The gross book cost of coaches and equipment on December 31st was $3,415,030 compared with $2,597,851 the previous year, an increase of $817,179. The sale of our interest in Associated Companies more than reimbursed our investment, the balance having been transferred to Surplus Account. During the year mortgage loans upon the Montreal terminal and garage were reduced by payment of $22,500.

Profit and Loss and Surplus Statements

The operating revenue, totalling $5,402,267, exceeded that of 1944 by $650,979. After deducting operating expenses, administration, general expenses, operating taxes and licenses, operating income was $1,507,941, an increase of $204,886, from which $398,895 was deducted for depreciation, an increase of $76,464. Net profit (before Income and Excess Profits taxes) was $1,112,862, an increase of $123,028.

After provision for Income and Excess Profits taxes there has been transferred to Surplus Account $187,762. Semi-annual dividends at the rate of 20 cents per share, amounting to $100,000, were paid during the year.

The past year was one of unusual activity on account of conditions prevailing in war-time and since the cessation of hostilities. Although every effort has been made to keep equipment up to the standards we desire, a large amount of deferred maintenance has accrued, which must be carried out as soon as possible. It is expected that this situation will be remedied in 1946 and that the whole fleet of the Company will be up to standard requirements.

Traffic

During the early part of the year traffic was limited to short hauls and to special services for essential industries. The volume of the latter commenced to decline in June, and had almost disappeared by December 31st.

Early in the war the Dominion Government, through the office of the Transit Controller, placed limitations on travel by motor buses. On May 15th, 1945, these restrictions were rescinded, thereby permitting us to resume all our services. Nearly all routes operated by us prior to the war were again being served by the end of August. Although the removal of transit controls left us at liberty to resume Sightseeing and "Nowhere" tours, these sources of revenue were given up so that as many vehicles as possible could be used in regular services.

During 1945, interurban services covered 9,050,715 miles, an increase of 2,269,939 over the previous year, and carried 8,646,206 passengers, an increase of 1,512,434. Special services covered 1,494,995 miles, a decrease of 805,465, and carried 1,555,464 passengers, a decrease of 1,412,063.

City Service

Shortly after VE-Day, Kingston City traffic began to decline, due to diminishing activities at Barriefield Military Camp and reduced volume of business at some of the industries in the City. The number of Kingston City passengers in 1945 was 4,706,671, a decrease of 281,388 as compared with 1944, and mileage operated was 598,899, a decrease of 34,218. Traffic continued to increase in the City of Sherbrooke, passengers carried being 4,325,803, an increase of 426,936, and mileage operated was 525,502, an increase of 29,789. In co-operation with the municipal authorities of these Cities, efforts were made to ensure that the transportation service was laid out and maintained to the best advantage of the travelling public. The municipal authorities have been helpful in this regard.

We anticipate a reduction from the large volume of City traffic experienced during war-time, but in both these Cities substantial growth of population and industrial activity should increase the need for transportation services as compared with pre-war years.

Passenger Equipment

Fifty-three additional vehicles were acquired in 1945, comprising fifty parlour coaches and three city service buses. During the year it was necessary to scrap twenty-one vehicles which were unfit for further operation, and one coach was destroyed by fire. All vehicles scrapped had been fully amortized. As at December 31st, the total number of revenue vehicles licensed for operation was 304. Fifty-one parlour coaches and five city buses were on order at December 31st. Thirteen of these should have been on hand during the third quarter of 1945, but delivery was delayed as a result of strikes.

Extension of Services

During the war, it was not found possible to extend our services beyond those accommodating essential industries. Since then a careful survey of all routes has been made and several new permits to operate in Quebec and Ontario were secured. These will enable the Company to provide new and improved services.

Terminals and Garages

The expansion in traffic and the larger number of buses required has made it necessary to secure additional facilities. In Montreal, land immediately adjacent to the existing garage has been purchased and a storage building will be erected thereon.

Traffic developments in Eastern Ontario have been substantial, and the garage and repair shop leased at Ottawa has become inadequate. The Company has purchased land in the City of Ottawa, upon which a garage and repair shop will be erected. Consideration is being given to the provision of garage, terminal and rest stop facilities in other districts served by us.

General

Our Company made a very substantial contribution to the war effort. In addition to handling millions of passengers on established routes, many new services were organized to serve plants brought into existence by the war. In some instances our buses were used throughout the operation of these plants. Some of the plants were constructed at points considerably removed from any established passenger transportation routes, and the conveyance of workers by bus was the only practical method of operation. Notwithstanding many handicaps, regular services were provided and the Company has received from the operators of all plants the expression of their appreciation for the service provided.

Our buses have also operated thousands of miles to bring entertainment groups to camps of the Armed Forces located in Quebec and Ontario.

During the war, 8,636,488 miles were operated on routes specially established to serve new plants, and 13,589,830 passengers were carried. Throughout the war the Company purchased all vehicles which the Federal Transit Controller allocated for our services but the supply of such buses was insufficient for our needs.

Reconversion to peace-time operations presents many problems. The cost of providing bus transportation is considerably higher than in 1939, but the fares remain unchanged.

The Company is proud and happy to welcome the 138 employees who have been released from the Armed Services. Your Directors desire to record their appreciation of the loyal and efficient service given by all employees of the Company.

Submitted on behalf of the Directors,

W. S. HART,
President.

CONSOLIDATED BALANCE SHEET

As at December 31st, 1945

ASSETS

Current:—		
Cash in Bank and on Hand	$ 162,668.20	
Call Loans	700,000.00	
Government and other Bonds (at less than Market Value)	452,090.01	
Accounts and Bills Receivable (less Reserve)	87,462.00	
Materials and Supplies	138,077.11	
		$1,501,297.32
Fixed:—		
Motor Coaches and Equipment	3,415,030.30	
Less: Depreciation	2,535,522.24	
	879,508.06	
Land	318,007.67	
Buildings (less Depreciation)	594,096.91	
		1,791,612.64
Refundable Portion of Excess Profits Taxes		482,831.87
Franchises		491,448.42
Deferred Charges to Operation		42,507.09
		$4,399,697.34

LIABILITIES

Current:—		
Accounts and Wages Payable (including provision for balance of Income and Profits Taxes)	$ 915,739.75	
Accrued Charges	119,432.38	
Unredeemed Tickets	246,001.13	
		$1,281,173.26
Operating and Insurance Reserves		242,675.00
Reserve for Contingencies		300,000.00
Mortgage Loans		216,250.00
Capital Stock:—		
Authorized and Issued:—		
250,000 shares of No Par Value		1,325,482.25
Earned Surplus		551,284.96
Deferred Surplus:—		
Portion of Excess Profits Tax Refundable		482,831.87
		$4,399,697.34

Approved on behalf of the Directors:

J. E. SAVARD
F. T. COLLINS, K.C. } Directors.

COMPARATIVE CONSOLIDATED PROFIT AND LOSS ACCOUNT

Year Ended December 31st, 1945, Compared with 1944

	1945	1944
Passenger Revenue	$5,338,707.49	$4,694,044.00
Other Operating Revenue	63,560.06	57,244.52
Total Operating Revenue	5,402,267.55	4,751,288.52
Deduct:		
Operating Expenses	3,204,930.07	2,866,037.00
Administration and General Expenses	200,979.56	154,229.74
Operating Taxes and Licenses	488,416.28	427,966.77
Total Operating Expenses	3,894,325.91	3,448,233.51
Operating Income	1,507,941.64	1,303,055.01
Less: Reserved for Depreciation	398,895.62	322,431.05
Net Operating Profit	1,109,046.02	980,623.96
Income from Investments	22,288.63	21,809.44
Gross Profit	1,131,334.65	1,002,433.40
Less: Interest	18,471.68	12,598.44
Net Profit (before Income and Profits Taxes)	1,112,862.97	989,834.96
Deduct:		
Provision for Income and Profits Taxes (of which $159,741.06 is refundable)	925,100.00	828,000.00
Net Profit Transferred to Surplus Account	$ 187,762.97	$ 161,834.96

SURPLUS ACCOUNT

Balance brought forward from previous years		$ 412,638.97
Add: Adjustments applicable to prior years		6,905.15
		419,544.12
Add:		
Net profit for year 1945 (transferred from Profit and Loss Account)	$ 187,762.97	
Profit realized on sale of Investments in Associated Companies	40,767.81	
Profit realized on sale of property	3,210.06	
		231,740.84
		651,284.96
Deduct:		
Dividends paid in 1945		100,000.00
		$ 551,284.96

AUDITORS' REPORT

We have made an examination of the Consolidated Balance Sheet of Provincial Transport Company and its wholly-owned subsidiary companies, Colonial Coach lines Limited, Kingston City Coach Company Limited, and Sherbrooke City Transit Company Limited, as at 31st December 1945, and have received all the information and explanations we have required.

In connection therewith we examined or tested the books and accounting records of the Companies and other supporting evidence, but we did not make a detailed audit of all the transactions.

Materials and Supplies have been certified as to quantities and values by responsible officials.

Ticket Sales and Cash Funds have been checked periodically by the Companies' Internal Auditor, from whom we have received certificates to that effect.

An amount of $129,400.00 is reserved for the proportion of Unsettled Injuries and Damage Claims, payable by the Companies. The officials estimate this sum to be sufficient for the purpose.

Subject to the above, in our opinion, the attached Consolidated Balance Sheet and statement of Profit and Loss and Surplus are properly drawn up so as to exhibit a true and correct view of the affairs of the aforementioned Companies, according to the best of our information, the explanations given to us and as shown by the books.

SHARP, MILNE & CO., Chartered Accountants.

Montreal, February 15th, 1946.

MR. RUSSELL F. HUNT

Mr. R. Ross Patterson, president, announces the appointment of Mr. Russell Hunt as sales manager of Kerr Bros. Ltd., candy manufacturers. At the same time Mr. Patterson told of the company's expansion plans and announced the purchase of a 3¼ acre site in York Township where a large, modern candy factory will be built.

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JAMES W. SEWALL
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INCOME TAX

Supports Absent Dependent

For some years I have been supporting my mother. She has an income of her own of about $15 a month but her health is poor, and I have been contributing $50 a month to her support. I have never claimed her as a dependent but would like to do so now. Would my claim be allowed?

You have a good claim to have your mother allowed as a full dependent, for whom you can claim a deduction of $28 from normal tax and 20% of the amount actually contributed to her support during the year up to a maximum of $80. If you maintained a self-contained domestic establishment in which you lived most of the year yourself and maintained your mother, you would be able to claim married status on her account. This would give you a deduction of $150 a year. We would suggest you discuss your case with your Income Tax Inspector to see if he can make any special concessions in your case, having regard to all the circumstances.

U. & O. Insurance

Some time ago my store was damaged by fire. I had ordinary fire insurance on the building and also had use-and-occupancy insurance to pay me for profits lost while the building was being restored and I was not able to use or occupy it. The fire insurance I know is not subject to income tax, but what about the use and occupancy insurance?

Normally the proceeds of a use-and-occupancy policy are subject to income tax. Much would depend on the wording of the insurance contract however. You should get an official ruling on the matter.

Back-dated Promotion

I was tax-exempt in 1943 but early in 1944 received a back-dated promotion. My desire was to show the back pay as earned in 1943 and taxable that year although not received until 1944. The income tax authorities ruled the additional pay must be shown as 1944 income. Would like your advice on the matter.

The ruling given you follows the usual procedure in such cases. If you feel there are some special circumstances in your case you can appeal to the Commissioner of Income Tax, Ottawa, giving him full particulars. In any case you had better act quickly, as appeals for refunds must be made within 12 months of the date the notice of assessment for that year was sent out.

INVESTMENTS

Dominion Magnesium

What is the position of Dominion Magnesium?

Dominion Magnesium is completing extensive alterations of its magnesium production plant located near Renfrew, Ont., acquired from the Government in 1945. The main part of the plant has been closed down to facilitate alterations, and orders for magnesium in the meantime are being filled from the company's stock pile.

Officials believe alterations will result in a considerable reduction in costs, and expect good postwar demand. Capacity of the plant, 5,000 tons of magnesium and its alloys a year, will be increased. The company owns three high purity dolomite deposits adjacent to its plant and it is estimated that there is over 50 years of raw material available in one deposit alone.

Authorized capital is 500,000 shares, all outstanding. A substantial block was sold at $8.00 a share in 1945. Pro forma balance sheet as at May 31, 1945, giving effect to new financing and the purchase of plant, showed $1,913,138 cash and $1,376,185 in plant and equipment against accounts payable of $5,577 and a mortgage payable of $1,300,000.

Amm Gold Mines

Is Amm Gold Mines still in existence?

Amm Gold Mines still retains a group of 10 claims in good standing in the Cadillac area, but, as you may have heard, the company sold its former producing property to Pandora Cadillac Gold Mines for 500,000 shares of that company and a small further consideration. The entire Amm authorized capital of three million shares is outstanding, and the company will probably have to reorganize if further work is to be carried out on the remaining group.

North Star Oil Co.

How does North Star rate as a speculative investment?

Many investors are very optimistic about the future of the oils, basing their views on a jump of 25% and more in sales since rationing ended, and the expectation that further increases will come as auto and other production picks up.

These investors, however, seem to favor the larger oil companies, which have their own sources of crude oil, and have plenty of cash to spend on new retail outlets, possibly on new refineries. Refineries are costly today, with one catalytic cracker already under construction—at a probable cost of at least $2.5 millions. These factors, it is held, stack the cards against the smaller companies, although many smaller firms have survived intense competition in the past and may continue to do so. In short, many investors take the view that over the short term all oil companies should do well; but that for the long haul only the larger ones are a safer investment.

North Star has a refinery at Winnipeg with a 1,600-barrel-a-day capacity and gets its crude oil supply from Turner Valley where another large Canadian oil company also obtains some of its crude petroleum. North Star, along with others, is reported planning extensive expansion of its distributing facilities at Calgary, Saskatoon, Regina, and other western centres.

Share earnings of North Star have increased during the last couple of years, biggest increase coming in 1943 when earnings per share went up $.38 from the year before. Working capital at end of 1944 was $681,454 with ratio of current assets to liabilities 1.47 to 1.

W. H. HOWARD, K.C.

of Montreal, has been elected a director of the Canada Cement Company.

13 Varied Firms Share Former Big War Plant

One of Canada's first multiple tenancy projects, designed to utilize wartime plants, is getting under way, under difficulties, at the Small Arms plant near Long Branch, Ont.

Thirteen companies are occupying the 50,000 sq. ft. of space at this former war plant. There are still many "bugs" to be ironed out, but employees and executives of the companies have moved in and some are now in operation. Whatever the difficulties, multiple tenancy is providing hard-to-get plant space for many new and expanding industries.

Some tenants are finding it difficult to carry on normal business while picking their way through piles of sand, concrete blocks, wooden framework and other materials which go into the reconversion of a war plant to peacetime business. Government-owned machinery still occupies part of one company's leased space, and building materials in another part of the building are temporarily holding up installation of another company's equipment.

Most of the difficulties, however, are minor ones, present in any multiple tenancy. Such problems as one washroom having to serve two companies, open doorways causing draught on workers, purchase of office furniture and equipment on the premises from the landlord, and payment for extra services, will likely be solved once the building is fully reconverted, although tenants will have to make some adjustments in their operations, to conform to the physical layout of the building.

At the Small Arms plant, tenants have formed a committee to represent them in presenting their problems to the landlord. One of the big question marks is how efficient the dividing walls will be. Concrete walls separating various companies are only eight feet high, about three or four feet from the ceiling, and many tenants are wondering if one company's operations will handicap a neighbor.

One example is an engineering company which may undertake sand-blasting operations, and which is located beside a photographic film business which requires dust-free air as far as possible. Tenants think that noise also will be a big problem, particularly with regard to office workers, and wonder if workers' fatigue from noise will cut down production output. This noise problem doesn't affect all tenants, since companies which leased space early were able to pick a section of the building where offices were already built.

One company produces aircraft instruments; and to calibrate dials, the room temperature must be kept constant. Since rooms are not enclosed to the ceiling, open doors or windows in another part of the building lower the temperature of the room where work is done.

Following are the companies occupying the Small Arms plant:

Adam Hats (Can.) Ltd.
D. Appleby Co. of Can.
Antoine Vanities Ltd.
Brand & Millen Ltd.
Colorgraphic Co.
Dominion Metalware Industries Ltd.
Industrial Interiors Ltd.
Phoenix Engineer Products Ltd.
Salco Co.
Snap-on Tools of Canada Ltd.
Shelly Films Ltd.
Stabilex Ltd.
J. K. Wright Publishing Co.

CANADIAN PACIFIC RAILWAY announces contracts have been signed with the Fairfield Shipbuilding & Engineering Co. of Glasgow for immediate construction of two oil burning turbo-electric passenger ships for the Vancouver-Victoria-Seattle run of the B. C. Coast Steamships Service. The company also is looking for early return by the British Admiralty of the S. S. Princess Kathleen to civilian service on the west coast. C.P.R. lost 183,000 tons of shipping due to enemy action in the war.

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Commodity Trends

Following are commodity report summaries compiled by the Purchasing Agents Association of Toronto:

Coal — Consumption remains high and production has not been proved. Chief stumbling block is lack of railway equipment to load the coal. It was thought that, as a result of the steel strike, a large quantity of coal would be made available for immediate shipment, but because the steel mills were to a large extent behind in their allotments of coal and their requirements, they insisted on delivery to their plants. In some cases, of plants manufacturing coke, they have been allowed by the union to unload the cars and manufacture the coke, thereby also making available gas for use in local communities. In most other cases, the coal has been allowed to come into the plant and then the union has refused to permit unloading. Some 16,000 cars of coal are standing at steel plants and this has created a serious shortage.

Paper—(Including book and writing papers, coated litho, newsprint, kraft, boxboards, corrugated board, etc.). No marked improvement since last month. Conditions are more critical as demand increases, and production has reached its peak already. Little hope of any change before the end of the year. Advice is to anticipate your requirements and place orders well ahead.

Steel—The U. S. strike created a situation even more critical than during the war. Deliveries will probably be extended by at least two months. Sheets in Canada are again critical as Stelco's new mill is not producing to expectations and orders already booked have extended to third quarter. Imports are drastically reduced, which puts an additional strain on our own steel production. Most steel warehouses and fabricators have, however, built up stocks in recent months.

Pig Iron—The situation has deteriorated and is again under governmental control. Two producers are restricting output due to lack of coal, and in one case, lack of incentive to produce pig iron for foundry use. Producers say that due to price controls they are selling to the Ontario market at a considerably lower price than the Buffalo price plus freight and duty. Production at one furnace could be greatly increased, they say, if they could obtain an increase in selling price . . . which now appears probable.

Scrap Iron—None available either here or in U. S. for Canadian foundries. Cast iron products such as water pipes are buried under the ground for years; manholes, and most other castings give long service and do not come back as scrap for long periods of time. Castings shipped overseas during the war, and after the war on rehabilitation projects, will never return, so that some pig iron will have to take the place of scrap for some time to come.

Cast Iron Products—Foundry labor keeps presenting additional demands. The sooner raw materials are correctly priced and foundries know where they stand and perhaps get some adjustment themselves, the sooner they will be able to carry on a normal existence in business. Large consumers of pig iron and scrap are, in some cases, down to five days' supply.

Paints and Varnish Materials — Supply of certain materials is still inadequate . . . e.g., toluidine reds, iron blues, titanium, lithopone, Hansa Yellow and a number of others. Good news is that resin will soon be free from control. Strikes in the United States threaten the industry with a serious shortage of metal containers. Canadian glycerine refineries are unable to fill demands. American manufacturers of synthetic resins are said paying higher prices for Canadian crude glycerine than Canadian refineries can. Glycerine is an important material in manufacture of synthetic resin and ester gum. The United States is likely to permit higher prices for a number of imported products, including castor oil or beans, Shellac and flaxseed. There is an insatiable demand for paint unlikely to be satisfied in full for some time.

Cotton Waste—Still in short supply, and no increase in sight for some time. Shortage of raw material is the big factor.

Cotton Wipers—No improvement can be expected until raw material can be secured from European suppliers.

Wide Numbered Ducks — Still critical, but slight relief seems in sight for the second quarter of 1946.

Ounce Ducks and Sheetings—In very short supply; doubtful if increased production can be expected until about third quarter of 1946.

Cotton Twine—Still critical; no increase in production for at least three months.

Jute Twine—Production has deteriorated considerably and supplies will be very scarce for some time. Old rope has increased its importance as a substitute.

Subsidized Housing Asked for Veterans

From Our Own Correspondent

EDMONTON—Ottawa has been asked to inaugurate a five-year plan of subsidized housing for thousands of veterans, being temporarily housed today by the citizens' rehabilitation council here.

Council members argue that in this way veterans could afford to own a house which in most cases they could not under the National Housing Act. It was also felt that the subsidized program would provide work for many veterans.

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Which group in the Montreal market buys more food and food products — French Montreal with a population of 699,517* or English Montreal with a population of only 271,346*? French Montreal — of course! Actually this group comprises more than 2½ times as many prospects — all people who read in French, think in French, buy in French.

No matter what you have to sell, the best way to sell to French Montreal is — *in French.* Successful merchandisers know they need Le Canada, Montreal's influential morning French daily, and one other French daily newspaper, to carry their sales messages to French Montreal.

*Latest Dominion Census

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Growth Cities of Canada-X

Historic Halifax Pins Faith on Atlantic To Bring Her a Third Century of Prosperity

Growth Program for Halifax

1. A house-building program of up to 300 houses a year, to relieve congestion as acute as any in Canada. A building boom is not expected immediately, but many residential and commercial projects are definitely in sight, some already under way.

2. A "master plan" for the city has been drawn up as an objective for civic improvement, expansion, and administration.

3. Maintenance of permanent Canadian defense services on an increased scale.

4. Development of fish and meat industries. Increasing attention to meat production on Nova Scotia farms will logically give impetus to meat packing, now being done at only one plant in Halifax.

5. Resumption of operations at the Acadia sugar refinery when supplies are available.

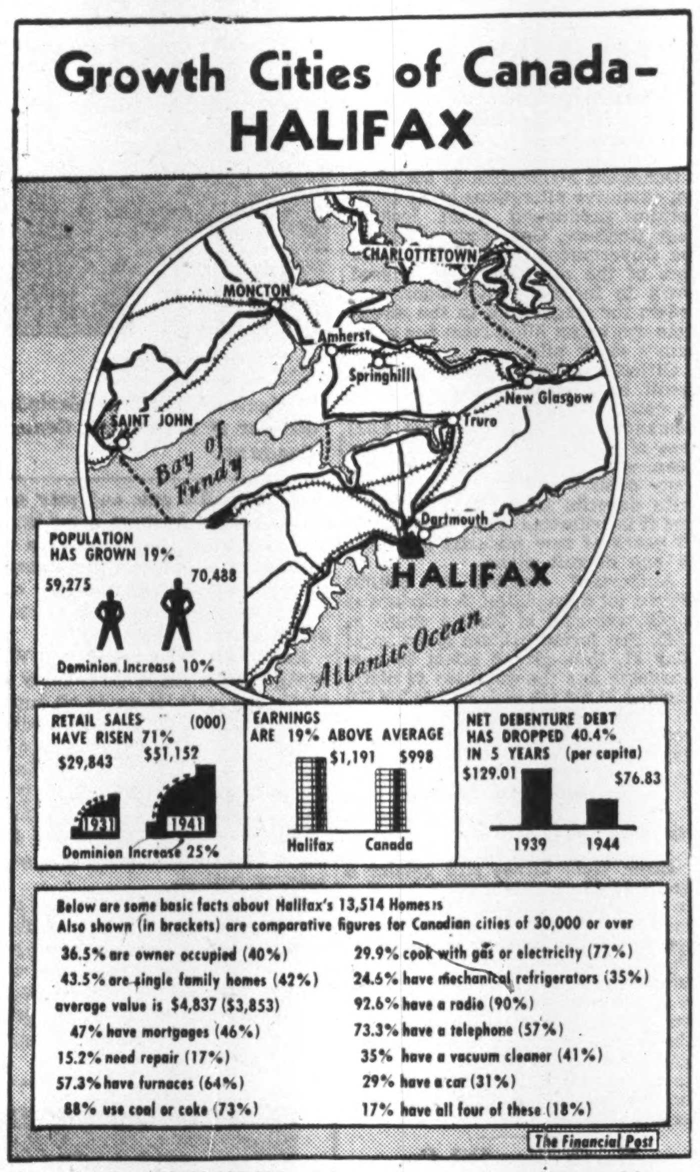
6. A flour mill, as yet only talked of, but thought to be a possibility.

7. More shipbuilding and ship repair work as a permanent industry, with general waterfront development as peacetime export, import, and passenger traffic revive.

8. Manufacturing industries sure to grow in number and volume with general prosperity of the country. Outlook is good for both heavy lines, such as machinery, and specialties.

9. Strategic situation for distribution of merchandise, by rail and water, will be capitalized increasingly in the coming years.

10. Business fabric of the city; with no failures in past three years, so financially sound as to take care safely of any likely postwar recessions. Trade volumes in 1945 were well ahead of 1944.



Halifax, metropolis of the Maritimes, Canada's "front door to the Atlantic," has weathered nearly two centuries of war and peacetime hazards. Recovering today from six years of unavoidable overcrowding and over-regimentation, Nova Scotia's capital looks forward to steady growth in the fields of shipping, fishing and lumbering. Geography makes freight rates an admitted problem, as a solution to which, Halifax advocates a national price policy, establishing uniform price levels in all parts of the Dominion, for all domestic products. Halifax is 10th in The Financial Post's series Growth Cities of Canada.

Still going strong, though only three years short of its 200th birthday; blown half to pieces during World War I; badly cracked up in V-E Day carryings-on in World War II; shaken and cracked again in a munitions-dump explosion a few months later; overcrowded, overworked, over-regimented for six chaotic years just past; but still doing business and reaching out for more—that's Halifax, down by the sea.

The sea, indeed, pretty well explains Halifax. For its Atlantic coast location, facing right out toward Europe, has made it Canada's front door, shaped its history from the start, created and sustained the major part of its business life, and assured its future. A city with one of the world's finest harbors can never exhaust its possibilities. You realize that at sight, for you can't go to Halifax for even a day without thinking in terms of sea voyages, ships, and cargoes.

Nor can you escape the oldness of Halifax. From that day in 1749 when its site was picked and the first clearings chopped out of the wild, it has been full of big doings, which have gone into the making of the nation. Furthermore, it has been, all that time, a trading place of importance.

Halifax is solid—it has had to be, to stand its knocks. Close to the battlefronts as it has been in two world wars—to say nothing of earlier conflicts—it still shows scars; but wear and tear have only proved its durability. Look, for instance, at its roll of substantial old business houses, which have weathered all the storms. There are a round half-dozen of them, nationally known for long past, with more than a century of continuous service to their credit:

Halifax Insurance Co., in business 137 years; Wm. Stairs, Son & Morrow, Ltd., wholesale hardware, 136 years; Moirs Ltd., confectionery and biscuits, 130 years; Gordon & Keith, Ltd., furniture, 125 years; John Tobin & Co., Ltd., wholesale groceries, 121 years; Halifax Chronicle, newspaper, 102 years.

Several other firms are creeping up to the century mark. Among them: Jas. Simmonds Ltd., wholesale hardware for nearly 100 years; Nova Scotia Savings, Loan & Building Society, 95 years; J. & M. Murphy, Ltd., wholesale dry goods since pre-Confederation days; Brandram Henderson, Ltd., who first made paint in Halifax 71 years ago.

Pioneer in Banking

In Canadian banking business, Halifax is a pioneer. The Bank of Nova Scotia started there in 1832, and the Royal Bank of Canada is an outgrowth of the Merchants' Bank of Halifax, founded in 1869. The Halifax Banking Co., chartered in 1872, still operates as a unit in the Canadian Bank of Commerce.

The city is served now by 12 bank branches, whose clearings in 1945 were $245,094,666, some $20 millions more than in the preceding year, notwithstanding the drop in war business.

Halifax had a wartime population peak of nearly 120,000 between 1940 and 1945, when there was a large influx of service people on a residence basis. Peacetime shrinkage has already been considerable, but at least 2,000 men of the Canadian forces, three fourths of them married, will be stationed there permanently. Present population is estimated at 90,000, which is likely to drop a little and then to pick up again, as the postwar era gets into normal pace. This present figure, however, represents a gain of around 33% in 10 years and is largely on a civilian basis.

Dartmouth town, across the harbor, would be a part of Greater Halifax if there were such a setup, but with 15,000 population in its own right it chooses to go its own way. In terms of trading area, Halifax and Dartmouth, together with the immediate down-shore settlement, make a total consumer population of about 115,000. Employed in 1945 on Halifax payrolls, were close to 24,000.

If you ask what this area and these people will have by way of economic backing in a peacetime future, you will be referred to the map and the Atlantic Ocean—the same natural layout which explains the long past.

Seaborne business of one kind and another is what makes Halifax. Ships to and from everywhere load and unload at its docks, leaving money behind to the extent, in 1945, of 4½ millions in stevedores' wages alone. Thirty or more firms of chandlers, brokers, and line agencies do the outfitting and clearing of these ships, making a large item in the harbor-front total business. Shipbuilding and repairing yielded $14 millions in one war year and will continue as a permanent industry. Four of Canada's tribal destroyers were built at the Halifax Shipyards plant, under contract for the Royal Canadian Navy.

Twelve transatlantic lines are now operating to and out of Halifax, including freighters and combined freight and passenger ships. Their services are getting back to normal, and a sign of the times is the recent resumption of sailings by the Swedish-American-Mexican line, one of several suspended or curtailed during the war. As war losses in shipping are made up and ocean-ferrying gets on schedule again, 300 sailings a year out of Halifax may be expected. And every time a freight cargo of 5,000 tons is loaded or unloaded, about $12,500 will be paid to stevedores, checkers, coopers, and handlers.

Freight tonnage of the port last year, by water and rail, was about 5½ million tons. Exports were valued at $370,903,000 and imports $34,933,640.

As to shipments by water and rail of products originating in Nova Scotia, the sea again is responsible for the No. 1 item on the list, in point of volume, plus processed values. That is the fish production, of which Halifax handles about $4 millions in landed market value, mostly shipped out fresh to Canadian trade centres. Around $2½ millions value of fish is put through Halifax processing plants in a year.

The fish industry paid out nearly three quarters of a million dollars last year in wages to between 300 and 400 employees in Halifax. Ten well-established firms are operating.

Lumber ranks even ahead of fish in shipping, though lower in processed values. Total forestry products, including undressed lumber, pit props, and pulp, go through Halifax at about $5 millions a year, representing 15 to 20% of the province's production. This is winter business only, shipments being made from other coastal points for the rest of the year. Supplies come in from eight mainland counties.

A clothing industry which has good prospects and is already in the million-dollar class, with two firms manufacturing, will reach, in 1946, a combined payroll of 250 workers. Lines produced are men's suits, overalls, mackinaws, work shirts, and suchlike, and the industry is holding Maritimes trade even in competition with Montreal and Toronto.

Some 200 wholesale houses in Halifax, including brokers, carrying stocks and agencies on commission, do combined business of around $100 millions a year. Their market is the Maritimes in particular but takes in also Newfoundland and, for certain manufactured lines, Canada at large.

As an insurance field, Halifax is ranked by underwriters "one of the best." It is provincial headquarters for practically all the companies, in all classes of insurance. A department manager of one of the life companies says that, in proportion to population and number of salesmen at work, his branch does as much business as the Montreal office.

Freight Rates A Problem

Halifax has problems as well as prospects. Its geography, while favorable in one sense, is against it in another. Its commanding situation as an Atlantic seaport means that in landward terms it is away down at one end of Canada, connected with, but remote from, the centres of population. It's a long way from the front door through to the living room.

So railway freight rates are prominently in the picture; in some cases almost spoiling it. Maritime manufacturers in competition with Ontario and Quebec, are under the disadvantage of heavy transportation charges, and are largely restricted to their own home market. Exceptional cases, however, in which Maritime-made goods are selling successfully all over Canada, show that this can be done.

Some relief is given by the Maritime Freight Rates Act, which provides a 20% reduction on tariff rates east of Levis, Que. But Halifax contends that Ontario and Quebec still have the advantage through subsequent rate adjustments in their territories, as well as through production benefits from centralization of industry in the larger markets.

To overcome this handicap, a national price policy is suggested, with strong Board of Trade backing. Such a policy would require that articles produced in Canada should be "sold at a uniform price in all parts of its territory." Federal legislation to that effect has been asked.

Looks to U. K. Market

For its world trade possibilities, Halifax waits to see what will be done in the recasting of trade agreements. United Kingdom markets for such natural products as lumber, apples, and fish are important to Nova Scotia exporters, but at present are restricted by the uncertainties of the British economic situation.

Another market in which Halifax is greatly interested is the British West Indies, and plans are in the making now for renewed and extended steamship services on that route. Trade relations also with Cuba, Haiti, and San Domingo are wanted, particularly with lumber, potatoes, and manufactured goods as exports and raw sugar and fruits as imports. Revision of customs tariffs, to make this business practicable, is among Halifax's most urgent desires.

Halifax is strong, also, for imperial trade preferences, which have made business for it these many years. She wants as much of the preferential tariff system continued as possible, believing that it will have a great deal to do with her future as a growth city.

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THIRTY-THIRD ANNUAL REPORT OF

The Waterloo Trust and Savings Company

ASSETS AND LIABILITIES
December 31st, 1945

ASSETS

CAPITAL ACCOUNT		
Office Premises, Waterloo and Kitchener, including Safe Deposit Vault, etc., and fixtures — Kitchener, Waterloo, Galt, Preston		$ 226,157.36
Other Real Estate		33,746.41
Mortgages	$ 210,433.57	
Interest due and accrued	5,727.34	
		216,160.91
Loans on Securities, including $21,237.00 against Company's own stock		99,562.30
Dominion and Provincial Gov't. Bonds	667,598.61	
Canadian Municipal Bonds	7,997.70	
Other Bonds and Debentures	7,013.88	
Stocks	10,160.50	
		692,710.69
Other Assets		40,909.31
Advances to Estates under Administration		41,889.21
Cash on hand and in Banks		175,535.42
		$ 1,526,671.61
GUARANTEED TRUST ACCOUNT		
Mortgages (including Agreements for Sale, $106,220.82, covering mortgaged properties sold)	5,001,875.67	
Interest due and accrued	66,223.08	
		5,068,098.75
Dominion and Provincial Gov't. Bonds	8,845,038.14	
Dominion and Provincial Gov't. Gtd. Bonds	250,363.42	
Canadian Municipal Bonds	912,366.67	
Other Bonds and Debentures	339,309.22	
		10,347,077.45
Stocks		220,534.78
Demand Loans against Securities		188,379.99
Cash on hand and in Banks		1,003,350.75
		$16,827,441.72
ESTATES, TRUSTS AND AGENCY ACCOUNT		
Mortgages		660,947.56
Bonds		3,685,400.60
Sundry Trust Investments		354,910.28
Cash on hand and in Banks		566,522.11
Inventory value of unrealized Estates Assets		5,240,497.33
		$10,508,277.88
		$28,862,391.21

LIABILITIES

CAPITAL ACCOUNT	
Capital (Paid Up)	$ 1,000,000.00
General Reserve	400,000.00
Dividend declared (Paid Jan. 2, 1946)	25,000.00
Provision for Gov't. Taxes and Contingencies	46,587.51
Profit and Loss	55,084.10
	$ 1,526,671.61
GUARANTEED TRUST ACCOUNT	
General Guaranteed Investment Receipts	4,915,383.14
Trust Deposits	11,912,058.58
	$16,827,441.72
ESTATES, TRUSTS AND AGENCY ACCOUNT	
Trust Funds for Investment	5,225,891.34
Advances from Capital Funds	41,889.21
Inventory value of unrealized Estates Assets	5,240,497.33
	$10,508,277.88
	$28,862,391.21

FORD S. KUMPF, President. P. V. WILSON, Managing Director.

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FORD S. KUMPF
Waterloo

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Waterloo - Kitchener - Galt - Preston

A. L. DENISON

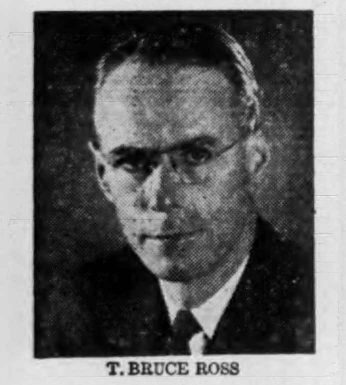
JAS. A. DOWLER

Canadian Fire and Canadian Indemnity Appointments

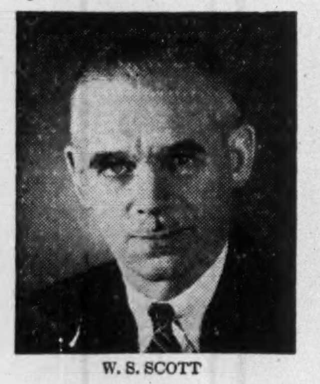
Announcement is made by President C. S. Riley of a number of changes in the Head Office Officials of The Canadian Fire Insurance Company and The Canadian Indemnity Company.

A. L. Denison, Vice-President, becomes Managing Director, succeeding C. S. Riley, who continues as President. Jas. A. Dowler succeeds Mr. Denison as General Manager. W. Culver Riley has been appointed Assistant General Manager, a newly created office. T. Bruce Ross has been appointed Secretary and W. S. Scott, Treasurer. Robert Welch is Casualty Manager and Robert E. Anderson, Claims Manager, of both Companies.

W. CULVER RILEY



T. BRUCE ROSS



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Sask. Compulsory Auto Insurance True Social Welfare Says Valleau

From Our Own Correspondent

REGINA—In the first speech in the legislature of Saskatchewan on the compulsory auto insurance bill introduced by the CCF government, Social Services Minister O. W. Valleau declared: "This is as true a social welfare act as any . . ."

The bill, already given second reading, provides auto accident insurance coverage for every resident of Saskatchewan with maximum benefits to motorists or pedestrians to compensate for financial loss resulting from accident injuries.

It provides for compulsory payments ranging from $5 for ordinary passenger cars to a maximum of $400 by operators of 25-passenger buses, and from $1 to $10 for drivers' licenses. These premiums are to be placed in a fund from which the compensation will be paid.

The minister provided the house with an over-all survey of the Act, details of which will be discussed later in committee of the whole.

The bill has been the source of much controversy since its introduction was first mooted. It was drafted along lines suggested to the government by a committee of three, headed by M. F. Allore, manager of the Saskatchewan government insurance office, which will handle and administer the insurance scheme.

Valleau said in his introduction that through the bill "we are stepping on some toes, and they are tender toes. The only people who will suffer under this act are those who sit behind their glass-topped desks in Toronto and Montreal."

May Reduce Premiums

Valleau explained that if there were a surplus built up in the fund, it was planned to reduce premiums in subsequent years. If after that there was still a surplus, the funds would be used to provide additional social welfare measures for the people.

The government, he said, has studied various insurance measures in existence before steps were taken. The question of public liability was also studied. "But this was found to be no answer to the problem," Valleau said. Public liability provided insurance for the car covered that was in an accident, but not for the other car involved. Under this manner of insurance, only one-half of the potential victims might be covered.

The minister alluded to the new Manitoba act saying that Manitoba was priding itself that because of its car insurance legislation, about 80% of motorists had public liability insurance. "They do not look upon it as compulsory insurance, but it amounts to just about that," Valleau declared. The 80% meant that about 40% of Manitoba people had protection against auto accidents.

"Forty per cent is not enough," Valleau said. "We want protection for all."

(Insurance men disagree strongly with Mr. Valleau's assumption. With 80% insured, the chances of being hit by an insured car are four to one in favor, so that instead of 40% protection, the car driver or pedestrian was 80% protected. Actually, many of the uninsured 20% of the cars will be in back concessions or little used, a factor which means that Manitoba has considerably higher than 80% protection.)

Keep Money at Home

In drawing up the plan the government felt it should apply to everyone in Saskatchewan, motorists and pedestrians. "We believe that every dollar collected in this province should be used for compensation of Saskatchewan people. We felt, too, that the premiums should be collected when the car-licenses were purchased instead of using agents."

Valleau pointed out that it had been suggested that the private insurance companies look after the handling of such an insurance plan. It could be done if all 255 companies in Saskatchewan joined in a pool and took joint responsibility. But, he said, "I cannot see the wisdom of that."

He added the 255 companies had collected in premiums in 1945 $7,000,000 more than they had paid out in losses. The government had used only $7,000,000 in the past year to pay for all of its old age pensions, mothers' allowances, government wards, child welfare, industrial schools and old folks' homes.

Said Valleau: "If they would give my department (social services) an additional $3,000,000, we could do a job in social welfare that would be unequalled anywhere in the world."

Valleau admitted that administration of the fund would place a heavy burden on the government insurance office. But it would create additional employment for the people of Saskatchewan.

(In 1943 the insurance premiums written in Saskatchewan for all classes of business by Dominion-licensed companies, including $6.9 millions for life insurance, totalled approximately $12 millions with $7.7 millions paid to policyholders and beneficiaries—the $4.3 millions difference, therefore, included amounts added to policy reserves to meet future claims and to build up savings policies such as endowments. These amounts would not be available for distribution in the manner suggested by Mr. Valleau.)

Must be on Highway

According to the act the injuries for which an individual claims benefits must be suffered on a public highway and caused by a moving vehicle, the word moving being defined as excluding any movement due to a cranking or repair of the vehicle on a public highway.

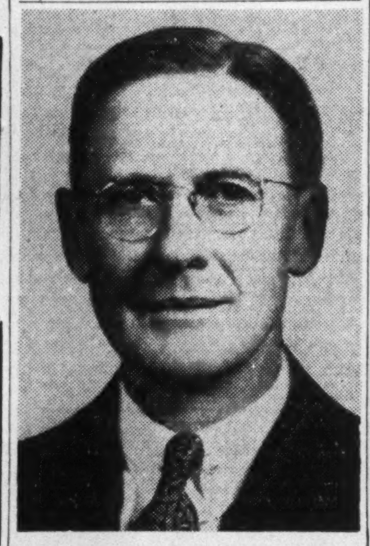
Other sections exclude from the protection of the act drivers or passengers acting in a way to interfere with proper operation of the vehicle such as overcrowding.

Some observers fear the plan may result in fraudulent claims being made by people injured other ways than in an automobile accident and saw a situation similar to the free passenger accident claims racket in Ontario some years ago, which resulted in elimination of a motorist's liability to a free passenger on the highway.

Some predict difficulty in administering the act due to political pressure of influential individuals.

J. ALLYN TAYLOR

of London, Ont., has been appointed trust executive of the Canada Trust Co.



G. A. RUSSELL

has been elected a director of the Canada Cement Co., of which he has been for many years comptroller and secretary-treasurer.

FOREIGN TRADE ENQUIRIES

Herewith The Financial Post offers a further collection of enquiries in a new service to Canadian business. The following are definite trade proposals and enquiries for Canadian goods from firms in foreign countries.

The queries here listed come from foreign readers of The Financial Post, other Maclean-Hunter publications and particularly from Industrial Progress, the Maclean-Hunter publication of Canadian trade abroad.

As an additional free service, similar concise statements of trade proposals by Canadian firms producing industrial equipment for export will be published by Industrial Progress which circulates in more than 30 foreign countries. Please send your announcements to the same address.

The service is designed to facilitate our foreign trade by assisting firms here to find out about foreign business opportunities and to contact foreign business firms directly and immediately.

Write The Foreign Trade Service Bureau, The Financial Post, 481 University Ave., Toronto 2, for full information on any bulletin below, and please give the code number preceding the item.

CM124, INDIA—Commission representative seeks direct correspondence with manufacturers or suppliers able to make concrete proposals, including prices and catalogues on the following: paper (all kinds), woollen yarns and cloths, consumer goods, such as electrical appliances, crockery, etc., textile machinery, mill stores and spare parts; would also consider, if material is available immediately, buying directly for resale.

CG15, CYPRUS—In order to take advantage of improving market conditions, merchant is anxious to get in touch with Canadian manufacturers able to export the following: white newsprint paper glazed or unglazed in sheets, bottled beer, canned fish (salmon, lobster and sardines), sweetened condensed milk, biscuits and chocolates; prepared to establish irrevocable letter of credit payable in Canada to cover value of goods ordered plus expenses. References available to interested Canadian firms.

CM125, ARGENTINA — Shoe manufacturing plant, through its purchasing agent, seeks source of supply in Canada for the following: wrapping paper and cardboard, emery cloth and paper for shoe manufacturers, rubber thread (synthetic), tools and supplies for mechanical workshop; full details, including catalogues and price lists, are requested.

CM126, CHILE — Quotations requested on lumbering industry equipment and machinery for use in constructing prefabricated houses by new firm ready to make direct purchase. Interest also stated in modern methods for the utilization of pulp and in securing representation for types of equipment mentioned on a commission basis.

G65, PALESTINE—Importer interested in representing Canadian manufacturers in the following lines: silk, rayon and nylon socks and stockings; cotton, rayon and woollen underwear; woollen blankets; bleached dyed sheeting; cotton, rayon and woollen piece goods; woollen, rayon and cotton yarns. Bank references provided.

CM127, PERU — Firm planning direct purchases requests full details, including catalogues and price lists, on machinery and molds for the rubber industry, and dies for manufacturing rubber dolls.

G64, PORTUGAL — Chemical organization, supplying scientific instruments, chemicals and apparatus to government institutions, laboratories, hospitals and the medical profession, desires contact with Canadian sources of supply in these fields, with correspondence particularly invited from manufacturers of laboratory apparatus, photographic supplies, pharmaceutical products, industrial chemicals and reagents.

D93, INDIA — Importing house, buying directly and acting also on a commission basis, seeks exclusive representation in India, Burma and Ceylon, for the following lines: petroleum industrial lubricating, motor, electrical, compressor and hydraulic oils, yellow and black greases, jellies and by-products; dyestuffs, intermediates and chemicals for industries such as textile, art silk, silk, wool, paper, leather, soap, wax, coir, varnishes, oils and sizing and finishing products for these industries; machinery, parts and components for textile, jute and paper making; leather and woollen goods and furnishings for textile, jute and paper industry; pharmaceutical and medicinal products. Interested Canadian firms are requested to send detailed terms and conditions, and to airmail all comprehensive technical specifications, literature, prices, etc., and samples where possible. Bank and commercial references given.

National Security Insurance Company

Notice is hereby given that the National Security Insurance Company having ceased to carry on business in Canada has reinsured its liabilities in Canada, in the Philadelphia Fire and Marine Insurance Company which is registered under the Foreign Insurance Companies Act, 1932, as amended, to transact business in Canada, and will apply to the Minister of Finance for the release on the 30th day of March, 1946, of the securities on deposit with the Minister of Finance; and that any Canadian policyholder opposing such release should file his opposition thereto with the Minister of Finance, Ottawa, on or before the 30th day of March, 1946.

Dated at Toronto, Ontario, this 21st day of December, 1946.

H. C. MILLS,
Chief Agent for Canada.

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SIXTY-SECOND ANNUAL REPORT

Balance Sheet as at December 31st, 1945

ASSETS

Real Estate (Head Office Buildings)			$ 2.00
Investments: Bonds and Debentures at Book value (par value $1,191,303.91)		$1,163,681.32	
Plus: Amount to increase to values approved by Dominion Government		60,443.67	
Market Value—as approved			1,224,124.99
Deposits with Trust Companies for investment			15,000.00
Cash on hand			2,850.09
Cash in Banks: Canadian Bank of Commerce, Portage la Prairie, Man.		$ 118,202.07	
Huron & Erie Mortgage Corp., Winnipeg, Manitoba		34.31	118,236.38
Interest accrued on investments			9,442.11
Agents' Balances and Premiums uncollected ($19.30 prior to October 1, 1945)			42,018.25
Furniture & Fixtures $1.00, Automobiles $1.00			2.00
Amount of Premium Notes on hand on which policies are issued		$1,112,092.00	
Deduct: Amount paid thereon, plus residue reduction	$339,771.53		
Amount assessed thereon, remaining unpaid	8,414.81	$ 348,186.34	
Balance (Unassessed) carried out			763,905.66
Total assessment on Prem. Notes		$ 224,411.15	
Deduct: Amount received thereon		$ 215,996.34	
Balance Carried Out			8,414.81
Surrender Value of Life Insurance Policies			4,855.55
Gross Assets			$2,188,851.84
Deduct, Assets Not Admitted: Agents' balances and premiums uncollected prior to October 1, 1945, $19.30; Furniture and Fixtures, $1.00; Automobiles, $1.00; unassessed portion of Premium Notes $763,905.66			763,926.96
Net Admitted Assets			$1,424,924.88
Contingent Assets: Amount of reserve for unlicensed unsecured Re-Insurance			$ 5,844.34

LIABILITIES

Unpaid claims in process of adjustment			$ 10,357.01
Less: Re-Insurance thereon			2,451.66
Unpaid Claims — Net			7,905.35
Reserve of Unearned Premiums (Dominion Government Standard)			197,526.51
Reinsurance Premiums Held as Reserve			106,892.54
Reinsurance Accounts Payable			22,032.45
Sundry Accounts and Accrued Taxes			19,352.62
Liability to Employees' Retirement Fund			31,649.93
Total Liabilities			$ 385,359.40
General Reserves: Reserve for Contingencies		$ 25,000.00	
Reserve for Future Fluctuation of Investments		135,000.00	
Reserve for unlicensed, unsecured, Reinsurance		5,844.34	165,844.34
Total Liabilities and Reserve			$ 551,203.74
SURPLUS: Unallotted Surplus			873,721.14
Total			$1,424,924.88

CERTIFICATE TO POLICYHOLDERS—We certify that we have audited the books, accounts and vouchers of The Portage la Prairie Mutual Insurance Company for the year ended 31st December, 1945. We have obtained all the information and explanations required, and after due consideration, have formed an independent opinion as to the financial position of the Company. In our opinion so formed the Balance Sheet herewith is properly drawn up so as to present a true and correct view of the state of the Company's affairs as at the 31st December, 1945, according to the best of our information, the explanations given to us, and as shown by the books of the Company. All the transactions of the Company that have come under our notice have been within the objects and powers of the Company.

Winnipeg, Canada,
22nd January, 1946.

G. B. HARE & CO., C.A.
Auditors.

M. G. TIDSBURY, President
A. H. THORPE, Manager
E. H. MUIR, Vice-President
A. G. HALL, A.I.I.A., Treasurer

DIRECTORS
M. G. TIDSBURY · E. H. MUIR · E. D. ALDER, K.C. · JAMES McKENZIE
ROBERT McDERMOTT · J. C. MILLER, K.C. · JOSEPH TRIMBLE
ARTHUR SULLIVAN, K.C., Winnipeg · HON. D. L. CAMPBELL, M.L.A.

"The Company operates under the Dominion Insurance Act and is subject to Annual Inspection by Dominion Government Officials."

FIRE and Windstorm

MONTREAL STOCK EXCHANGE AND MONTREAL CURB MARKET report value of stocks traded on the exchange in January advanced $25,873,667 to $64,174,094, highest level recorded since April, 1937.

JACK LAKE MINES, LTD. has advised the Montreal Curb Market that in order to protect the line of strike on the south of the company's property, its engineer, H. B. Hatch, has staked an additional six claims in the company's name.

BELDING CORTICELLI, LTD., raw materials and labor supply is showing some improvement, and the company anticipates improved operations, production and sales, W. P. MacDougall, president, stated at annual meeting.

FINANCIAL STATEMENT, DECEMBER 31, 1945

ASSETS

Cash in Banks and Offices	$ 4,037,850.32
U.S. Government Securities	15,849,871.75
Canadian Government Securities	93,500.00
Preferred and Common Stocks	16,718,500.00
Premiums in Course of Collection (Less than 90 days old)	4,114,723.29
Accrued Interest and Miscellaneous Assets	53,385.51
Total Admitted Assets	$40,867,830.87

On Deposit with the Dominion Government $710,000.00 for protection of Canadian Policyholders

LIABILITIES

Reserve for Unearned Premiums		$ 9,957,333.41
Reserve for Claims		11,710,454.90
Reserve for Federal Income and Other Taxes		801,785.19
Reserve for Commissions		944,438.83
Reserve for Expenses		42,161.25
Total Liabilities except Capital		$23,456,173.58
Capital Stock	$ 2,000,000.00	
Surplus	15,411,657.29	
Surplus as regards Policyholders		17,411,657.29
Total Liabilities		$40,867,830.87

AMERICAN AUTOMOBILE
INSURANCE COMPANY
ST. LOUIS

Canadian Managers
SHAW & BEGG, LIMITED
18 TORONTO STREET - - TORONTO

THE WEEKS' QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks, including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Montreal and Toronto
Week ending Saturday close

Winnipeg and Vancouver
Week ending Monday close

WEEK ENDING FEBRUARY 25

Range 1945-46 High	Low	Div R'te $	Feb23 Y'ld %		Sales	Last Feb. 18	Week end. Feb. 25 H	L	Cl'se
9½	2½	.	...	Abitibi ...	10330	8¾	8¾	7	7
100¼	44	.	...	Do. pref. 6%	2900	99½	99½	95	97
182	140	.	...	Do. pref. 7%	80	182	182½	180	182
24	17	1.00	4.3	Acadia Atlan A	1610	22¾	23	22	22½
107	99	5	4.8	Do. 5% pref.	20	106½	105½	105	105
18¾	9½	.	...	Acme Glove	125	16½	18¾	16¾	18¾
32	20	1.20	4	Agnew Surp.	60	30	31	29	29
26	14	.	...	Algoma Steel	1641	23¾	23¾	21	21½
103	97	5.00	4.9	Do. pref.	1850	103	103	103	103
109	100	5.00	4.7	Alum of Can p	391	108	108	107½	107½
[illegible]									
13	10	*.15	...	Equitable Life	165	13	13	13	13
5½	2	*.25	...	Fairchild Air	325	4¾	4¾	4½	4½
50	27½	*1.50	...	Fam. Players	350	49½	49	46	46
60	35	▲1.50	2.6	Fanny Farmer	2470	58	59½	54¾	56¾
9½	3½	.	...	Federal Grain A	4565	8½	8½	7¾	8½
119	65	2	1.8	Do. pref.	240	111	111	109	110
8	2½	*.75	...	Fleet Aircraft	1150	6¾	6½	6	6¾
33¾	24¾	1	3.2	Ford Motor A	2918	30¾	31	28½	29
2.25	.30	.	...	For. Pr. Secs.	3450	1.00	.75	.75	.75
28	13	.	...	Do. pref.	8	17½	15	15	15
34	20	1.40	4.5	Foundation Co.	440	32½	32½	30	31
59¾	35½	■.50	...	Fraser Cos.	3635	55½	56½	53	55½
20½	4	.	...	Freiman	40	20½	20	20	20

Range 1945-46 High	Low	Div R'te $	Feb23 Y'ld %		Sales	Last Feb. 18	Week end. Feb. 25 H	L	Cl'se
105	97	6.00	5.7	Do. pref.	5	103½	105	105	105
16¾	10½	.80+.10‡	5	Gatineau Pwr.	3606	16½	16	15½	16
111	97	5	4.7	Do. 5% pref.	316	110	111	110	110
111	102	5.50	5	Do. 5½% pref.	135	110½	111	110½	111
21¾	15	.80	4.1	Gen. St. Wares	1450	20½	20	18	19½
107½	101¾	5	4.7	Do. pref.	30	107½	107½	107½	107½
115	90	2.50	2.3	Goodyear Tires	295	111½	111	109½	110
57	53½	2.50	4.5	Do. pref.	252	55	55	54½	55
14	8½	■.15	...	Grand & Toy	25	12¾	14	14	14
34	4½	.	...	Gt. Lakes Pap.	1281	33	33	27½	27½
[illegible]									
30	19½	.	...	Traders Fin (A)	215	30	30	30	30
30	17	.	...	Do. (B)	100	30	28	28	28
111½	103	6.00	5.8	Do. pref. (A)	6	103	103	103	103
20½	11	.	...	Twin•City	590	20½	19¾	19	19
12½	8	.	...	Union Gas	1775	10¾	10½	10	10
29¾	17½	*1.25	...	Un. Amuse. A	8	29	27	27	27
31¾	25¾	1.50	4.9	United Corp. A	50	31¾	31¾	31½	31¾
29½	16½	*.68	...	Do. (B)	620	27½	28	25	26
17½	3¾	*.10	...	United Distill	275	13¾	15	13½	13½
50	40¾	3	7.1	United Fuel p A	445	47	48	46½	47
9½	3½	.	...	Do. B pref.	475	7¾	7¾	7¾	7½
17	16	.	...	United Grain A	37	16½	16½	16½	16½
13½	3½	.	...	United Steel	34507	12	12¾	11	11

Range 1945-46 High	Low	Div R'te $	Feb23 Y'ld %		Sales	Last Feb. 18	Week end. Feb. 25 H	L	Cl'se
[illegible]									
16½	12½	.	...	Viau Bisc.	1	16½	15	15	15
77	58	4	5.3	Wabasso Cot.	75	76	77	76	76
129	69	4	3.3	Walker-Good.	2910	118	118½	113½	114
23	20	1	4.4	Do. pref.	850	22¾	23	22¾	23
12	10½	.	...	West Brew	100	12	11¾	11¾	11¾
2.50	1.25	.	...	West Grain	8	2.50	2.00	2.00	2.00
165	146½	3.00	4.8	West Grocers	113	160	165	162	165
170	155	7.00	4.2	Do. pref.	15	165	167	165	167
30	14	*1.00	...	Westeel	1045	27½	28½	27	27
30	18	.80	2.9	Weston, George	1300	29½	29½	27½	28½
[illegible]	19¾	1	4	Wilsils	170	25½	25½	25	25½
[illegible]	7	.	...	Windsor Hotel	188	12¾	12½	12	12
[illegible]	6	.	...	Winnipeg El. A	1694	15½	16	14¾	14¾
[illegible]	68½	5	5.2	Do. pref.	240	99	99½	99	99
[illegible]	29¾	2	4.9	Woods Mfg.	35	41	41	41	41
[illegible]	15½	1.00	4.2	Wool Combing	1610	24½	26	24½	26
[illegible]	9¾	.40	2.7	York Knitting	510	18½	19	19	16
[illegible]	22½	.80	2.3	Zellers	100	38	38	38	38
[illegible]	27	1.25	4.3	Do. 5% pref.	75	28½	29½	28	28½
[illegible]	26½	1.50	5	Do. 6% pref.	25	28½	28½	28½	28½

†Paid in 1944. ▲N.Y. funds. *Paid in 1945. ‡Extra. ■Paid or payable in 1946. xOn arrears.

Mining Stocks

Range 1945-46 High	Low	Div. Rate %	Feb. 23 Yield $	Company	Sales	Last Feb. 18	Week Ending Feb. 25 High	Low	Close
[illegible]	.36	.....	....	Alger	18,300	.43	.43	.38	.41
[illegible]	.25	.....	....	Amer. Y.K.	41,800	.31	.33	.25	.30
[illegible]	[illegible]	†.10	....	Anglo-Hur.	538	13.00	12.00	11.25	11.75
[illegible]	[illegible]	.....	....	Anglo-Rou	9,100	1.70	1.65	1.50	1.55
[illegible]	[illegible]	.....	....	Ansley	5,500	.22	.22½	.20	.20
[illegible]									
.19	.09½	.....	....	Jellicoe	10,834	.13	.15	.13	.13
.13½	.03	.....	....	J. M. Cons.	2,014	.07½	.07½	.07	.07
1.55	.07	.....	....	Joliet Q.	1,462,083	1.48	2.20	1.25	1.87
.59	.26	.....	....	Kay Rand.	12,100	.30	.29½	.27	.28
17.50	11.50	†.30	....	K. Addison	42,057	17.25	17.25	16.25	16.25
2.30	.50	.....	....	Kirk. H. Bay	600	2.00	2.00	1.90	2.00
2.90	1.00	†.04	....	Kirkland L.	20,510	2.65	2.69	2.35	2.40
.55	.10	.....	....	Kirk. Town	34,300	.43	.42	.33	.36
.32	.09	.....	....	Kootenay B.	2,500	.13	.12	.11	.11
11.00	2.34	.....	....	Labrador	13,640	9.75	9.75	8.75	8.95
1.75	1.05	*.02	....	L. Dufault	41,300	1.34	1.27	1.20	1.20
.24	.12	.....	....	L. Fortune	4,800	.15	.14½	.14	.14
26.75	16.85	.80	3.5	Lake Shore	1,725	24.50	24.75	22.75	22.75
8.00	6.35	†.22	....	Laluz	650	7.10	7.15	7.00	7.00
[illegible]									

Oil Stocks

Range 1945-46 High	Low	Div.	Yield	Company	Sales	Last Feb. 18	High	Low	Close
[illegible]									
			....	Anaconda	2,000	.07	.07	.07	.07
		†.05	....	Anglo Can.	22,500	1.25	1.25	1.10	1.10
		.....	....	Br. Dom.	66,855	.48	.49	.40	.40
		.10	4.2	Calg. & Ed.	34,445	2.75	2.70	2.40	2.40
		.....	....	Calmont	8,575	.41	.41	.37	.37
		†.03	....	Coastal	2,600	.32	.35	.30	.30
		†.00½	....	Commoil	100	.33½	.33	.33	.33
		.....	....	Common P.	2,600	.48	.48	.46	.46
		.....	....	Dalhousie	3,315	.60	.63	.50	.50
		.....	....	Davies Pete.	10,000	.16	.17	.15	.15
		.....	....	East Crest.	30,500	.10½	.11	.10	.10
		.....	....	Foothills	6,350	1.90	1.95	1.60	1.75
		.....	....	High Sarcee.	2,500	.10	.10	.09	.09
		.15	4	Home	30,884	3.60	3.60	3.40	3.50
		.....	....	Homestead	26,600	.09	.09	.08	.08½
		.....	....	Marvel	3,000	.02½	.02½	.02½	.02½
		.....	....	McD. Segur.	3,500	.11½	.11	.10½	.13½
		.....	....	McLeod	3,000	.07½	.05½	.05½	.05½
		.....	....	Mercury	2,500	.07	.07	.06½	.06½
		.....	....	Midcont	34,000	.15	.15½	.14	.14
		.....	....	Mill City	1,500	.10	.09½	.09½	.09½
		.....	....	Nat. Pete.	2,000	.16½	.15	.15	.15
		.....	....	Nordon	1,925	.30	.31	.20	.28
		.....	....	Oil Select	2,200	.05½	.06	.05	.05
		.....	....	Okalta	8,200	.65	.65	.58	.60
		.....	....	Pacalta	128,667	.15	.16	.14	.15
		.....	....	Pac. Pete.	23,400	1.24	1.25	1.00	1.00
		.....	....	Roxana	27,300	1.20	1.22	1.13	1.17
		1.00	4.4	Royalite	827	23.00	22.62½	22.00	22.50
		.....	....	South End	14,000	.07½	.08	.07	.08
		.....	....	So. West Pete	925	.30	.42½	.35	.42½
		.....	....	United Oils	6,200	.09	.09½	.09	.09½
		.....	....	Vermilata	88,000	.10½	.15	.10	.10½
		.....	....	Vulcan	700	.32	.35	.30	.30

*N.Y. Funds. † Paid in 1945. x Extra. ■ Subj. appr.
†Paid in 1944. *N.Y. Funds. † Paid in 1945. F.E.C.B. ‡ Paid or payable in 1946.

Volume of Stock Sales

	Montreal	Toronto	Vancouver	New York
Feb. 26	277,700	1,719,000	133,390	3,670,000
Feb. 25	406,400	2,162,000	169,644	3,310,000
Feb. 23	......	......	......	......
Feb. 22	411,400	2,359,000	125,608	......
Feb. 21	378,400	2,164,000	175,565	2,300,000
Feb. 20	270,600	2,317,000	174,134	3,160,000

STOCKS NOT TRADED THIS WEEK

	Div. rate $	Last sale	Feb. 25 Bid	Ask
Acme Glove pref.	6.50	103	..	105
Agnew Surp. pf.	7	116	116	..
Aluminium pref.	▲6.00	118	107½	108
Amal. Electric	■.30	20	18	18
Amer. Cyn. (B)	...	40½	..	..
Assoc. T. & T. A.	...	10¾	..	..
Do., pref.	2.75	64	..	..
Ault & Wiborg	5.50	104½	105	..
Barber Ellis	.50+.25‡	6	11	..
Barcelona	...	6	6½	9½
Barker's Bakeries	...	4½	..	..
Do., pref.	†2.50	46	..	..
Beath & Sons	*1	21	..	..
Beatty Bros. (B)	■.25	37	36	..
Beaver Lumber	■.50	21	21½	..
Do., pref.	7.00	147	147	..
Belding Cort.	7.00	140	140	..
Do., pref.	7.00	158	161	..
Bertram & Sons	.30	31¾	30	36
Biltmore Hats	...	16	15	17
Brant. Cord.	.50	15	12½	15½
Bright, T. G.	...	17	..	15
B. C. Pulp & Pp. p.	...	172	..	185
Caldwell Linen	■.25	14½	13	14½
Do., 1st pref.	1.50	32½	30	32
Calgary Power	...	60	65	..
Can. Bread pf. (B)	2.50	78	78	80
Can. Cr. Stone	.40	7	7½	..
Can. Starch	†.50	..	12	15
Can. Car & F'y pref., new	2.10	34¾	..	..
C. Celanese p., new	...	42½	42½	..
Do., Rights	1.00	23	23	..
Can. Convert.	...	10	..	..
Can. Fairb., pf.	6.00	130	133	..
Canadian Fire	4.00	80	85	..
Can. Gen. Elec.	8.00	275	255	275
C. Gen. Secs. (A)	...	7¾	8¾	..
Can. Int. I. Tr. pf.	*5.50	100	100	..
Can. Lt. & Pr.	*1.00	14	12¾	14
Can. Oil	...	120	16½	16¾
Do., pref., 5%	5.00	105	105	..
C. N. R.	...	55½	..	..
Can. Shipbldg. (A)	■.30	11	..	..
Do. (B)	■.20	9	..	..
C. Wallpaper (A)	*1.00	24	21	25½
Carnation pfd.	■4	116½	115½	..
Cassidy's pref.	7	129	..	129
Celtic Knit	*.20	10	10	12
Cent. Can. L'n.	8.00	172	170	..
Chart. Trust	4.00	120	125	..
Coll. Terminal pf.	■.25	6	5	..
Cons. Fire Co.	...	3¾	3¾	..
Cons. Sand pf.	†2.50	80½	107	112
Crown Dom. Oil	...	8½	8	13½
Crow's N. Coal	3.00	49	53	60
David & Fre. (A)	1	24	24	..
Do. (B)	...	4½	..	5
Disher Steel	...	4	4	5
Do., pref.	*1.50	16¾	16¾	17½
Distill-Seagram p.	5.00	119	116½	120
Dom. Ang. Inv.	*5.25	75	75	..
Do., pref.	5.00	90	101	110¾
Dom. Envelope	†.20	6	..	..
Do., pref.	3.50	52	..	..
Dom. Fabrics pf.	3.00	53	51	..
Do., 2nd pref.	1.50	25	25½	..
Dom. Glass pf.	7.00	98	..	173
East. Kootenay Pr.	...	45	..	..
Do., pref.	...	24	22	..
East. Theat.	*.50	11	12	..
Economic Inv.	*2.25½	45	43½	46
Enam. & Heat.	...	15	..	14
Eng. Electric (B)	...	12	11½	12½
Federal Fire	3.00	51¾	51	..
Fleury Bissell	...	1.80	1.30	2.14
Do., pref.	...	35	30½	..
Ford Motor (B)	...	31	29	..
For. Pwr. Secs. pf.	...	17½	..	17½
Gen. Prods. (A)	...	10½	11	..
Do., pref.	5.00	99	100	..
Godfrey	...	26	25	30
Gould Pumps pf.	▲■7.00	86	90	..
Gt. West Life	15.00	400	380	..
Guaranty Trust	5%	111	115	..
Gurd, Chas., pf.	...	110	110	..
Ham. Cot., pf.	.90	19½	18¾	19½
Hillcrest Coll.	...	50	..	..
Holt Renfrew	...	30	25	40
Do., pref.	7.00	130	130	165
Hotel de La Salle	.50	5½	6	..
Humberstone S.	*1.25	23	23	24
Huron & E. Mt.	4%	100	101½	102½
Imperial Life	15.00	274	..	..
Imperial Varnish	.60	15	14¾	15½
Do., pref.	1.50	32	32	..
Inter'e Coal	...	37	37½	..
In. Hydro Elec. (A)	...	12	..	13½
Int. Metal Ind. 4½% pf.	4.50	104½	105	..
Int. Mill., pf.	▲4.00	113½	114	..
Int. Nickel pref.	▲7%	158	154	..
Invest. Found. c.	■.25	13	13	..
Jam. Pub. Ser. pf.	7	118	120	140
Kelvinator	*1.00	27	25	26¾
Lake of Woods pf.	7.00	151	..	159
Langley's	...	1.50	2	2¾
Do., pref.	■3.00	56	57	..
Levy Bros.	■.40	8	8	..
Lindsay, C. W.	.40	10	10	..
Do., pref.	...	80	91	..
Mackin Steel	...	8	8½	..
Do., pref.	5.00	80	74	..
M. L. Gardens pf.	*.70	12	12	12½
Maple Leaf M. pf.	...	28½	..	..
Maritime Tele.	.70	18½	18¾	..
Do., pref.	.70	17½	18¾	..
Marcus Loew's	4.00	71	72	..
Do., pref.	7.00	103½	110	..
McBrine	...	20½	20½	21
Mitchell, J. S.	*2.50	74	60	76
Mod. Contain.	1.20	38	37½	38
Do., pref.	5.50	105½	106¾	..
Monarch Knit, new pref. 7%	...	138	141	149
Monarch Life 20%	...	68½	99	99½
Montreal Cot.	4.00	83	81	..
Mont. Is. Pr.	...	25	35	1.00
Montreal Loan	1.25	31	30	32
Mtl. Refrig. & S.	...	10	5	12
Do., 1st pref.	1.50	20	29½	..
Do., 2nd pref.	*.72	19	19½	22½
Montreal Tele.	3.20	50	50	55½
Moore Corp. p. (A)	▲7.00	298	294	..
Do., pref. (B)	▲7.00	360	441	..
Murphy Paint pf.	5.50	105½	105½	106½
Nor. Can. Mtge.	*.50	12	..	..
Nor. Trusts	*1.00	19	20½	..
N. S. L. & Pr. pf.	6.00	108	..	..
Ontario Loan	5.00	113½	115	125
Ont. Steel pref.	7.00	115	120	..
Orange Crush pf.	*.70	14¾	14½	15
Paton Mfg.	4.00	85	85	..
Do., pref.	7.00	130½	132	..
Penmans pref.	6.00	150	148	..
Photo Eng.	1.00	26½	26	27
Regent Knit	*.50	20	..	20
Do., pref.	1.60	25	..	..
P. L. Robertson	2.50	45½	45½	48½
Do., pref.	2.50	49½	48½	..
Rolland Pap.	.60	18	17	18
Do., pref.	6.00	108	106	..
Russell Indust. pf.	7.00	415	490	..
Sangamo	1.00	29	30	..
Scythes & Co.	...	16½	16	17½
Sher. Wms. pf.	7.00	159	159	..
Silverwoods	.40+.10‡	13½	13	13½
Silverw'ds W.D. c.	5.00	85	..	..
Do., pref.	...	101	9	101
Simon & Sons	1.20	33	..	33
Do., pref.	5.00	103½	105	..
Slater, N.	1.20	27	..	..
St. Law. Flour pf.	7.00	140½	150	..
Sterling Coal	...	7	8	10
Sterling Trust	4.00	103	100	105
Stowell (B)	...	15	..	15
Tamblyn pref.	2.50	54¾	55	..
Thayers	...	9	5	10
Do., pref.	■2.00	30	30	41
Thrift Stores	...	16½	..	..
Theatre Props.	...	3¾	4	..
Tooke Bros.	■.25	31	26	..
Toronto Gen. Tr.	...	155	152	155
Tor. Mortgage	5.00	115	112½	120
Traders Bldg.	4.00	70	72	..
Trad. Fin. (A) Rts.	...	18	18½	21
Do. (B) Rights	...	18	18¾	..
Tuckett Tob. p.	7.00	170	173	..
Un. Amuse. (B)	*1.25	26	27	..
United Secs.	...	11¾	..	14
Viau Bisc. pref.	5.00	100½	100	..
West. Grain pfd.	...	10	..	..
Weston, George, p.	4.50	107	108	..
Wood, A&J p.	7.00	120	121	..
York Knit. 1 pf.	7.00	160	..	..

†Paid in 1944. *Paid in 1945. ■Paid or payable in 1946. ▲ N. Y. funds. ‡Extra.

Mining Stocks

	Div. rate $	Last sale	Feb. 25 Bid	Ask
Ashbourne	...	.13½	..	..
Cryderman	...	.02	..	.02
Douglas L.	...	.10	..	..
Grandoro	...	.18	.17	.18½
Great Falls M.	...	.03	.02½	..
Inter. Mining	...	10.00	..	..
Kerr Lake	†.05	.85	..	.99
Knee Lake	...	.03	.02½	.05
McGillivray C.	...	.10	..	..
McVittie Graham.	...	.10	..	..
Mentor Explor.	...	2.50	1.60	3.00
Simcoe	...	1.13	..	..
S. American G.	...	1.10	..	..
Star Lake	...	.01½	.02	.03½
Sunlock	...	.25	..	..
Trimblemont	...	.25	..	..
Oil Stocks				
Model	...	.24	.20	.25
Royal Canadian	...	.05	.04	.04½
Spooner	...	.13	.10	.14
Sunset	†.02	.09	.09	.10
Texas Can.	...	1.30	1.30	..
Vanalta	...	.12	.10	.14¾

†Paid in 1945.

Company Meetings

1946	Company	Place
Mar. 7	Building Prod.	Montreal
Mar. 8	Fidelity Insurance	Toronto
Mar. 11	Toronto Mutual Life	Toronto
Mar. 11	Twin C. R. T.	Minneapolis, Minn.
Mar. 12	Goulds Pump.	Seneca Falls, N.Y.
Mar. 13	Prudential Trust	Montreal
Mar. 13	Woods Manufacturing	Montreal
Mar. 15	Abitibi Power & Pap.	Toronto
Mar. 18	Howe Sound	Portland, Me.
Mar. 19	Imperial Tobacco	Montreal
Mar. 25	Cinzano Ltd.	Montreal
Apr. 1	Rolland Paper	Montreal
Apr. 4	United Corp.	Montreal
Apr. 24	Asbestos Corp.	Montreal
Apr. 24	Western Grocers	Winnipeg

Bond Tenders

12 noon, Feb. 28, Canada Treasury Bills—$75,000,000, dated March 1, payable May 31, 1946.

Government Bonds

Feb. 26, 1946

(Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask
Victory Loans:			
3	June 1951	105¼	106
3	Mar. 1954	105¼	106¼
3	Nov. 1956	105¾	106½
3	May 1957	104¾	105½
3	Jan. 1959	104½	105¼
3	June 1960	104½	105¼
3	Feb. 1962	104¼	105¼
2	Dec. 1946	100¾	101¼
2¼	Mar. 1948	101¼	102
1¾	May 1946	100¼	100¾
1¾	Nov. 1946	100¾	101
1¾	May 1947	100¼	102
1¾	Mar. 1948	100¼	102
1¾	Nov. 1948	100¾	101
1¾	Nov. 1950	100¼	100¾
3	Oct. 1963	104¼	105¼
3	Sept. 1966	104¼	105¼
Dom. of Canada Bonds			
3¼	Nov. 1951	104	104½
4	Oct. 1952	103¾	104½
3¼	Feb. 1952	105¼	106
3	Oct. 1952	103¾	104½
3	June 1955	103¼	104¼
4½	Nov. 1956	102½	102¾
4½	Nov. 1957	104¾	105¼
3	June 1958	104	104¾
4½	Nov. 1958	106½	107½
4½	Nov. 1959	108¾	109¼
3¼	June 1966	105¾	106¾
3	Perpetual	103¾	104½
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959	103¾	...
4½	Sept. 1951	127¼	...
4½	Feb. 1956	135	...
4½	July 1957	137	...
3	Feb. 1953	102¼	103
4¾	June 1955	135¼	...
3	Feb. 1954	118½	...
5	Feb. 1970	128¾	...
5	Oct. 1969	128¾	...
Can. Natl. W. Ind. S.S.:			
5	Mar. 1955	135¼	...
Grand Trunk Pacific Rly.:			
3	Jan. 1962	119½	...
4	Jan. 1962	132¾	...
Provincial Govt. Bonds			
New Brunswick:			
3	Oct. 1951	100	...
3¼	Aug. 1949	100¾	102
3½	June 1956	104¼	106
4½	Apr. 1961	131	...
5	Jan. 1960	135¼	...
Nova Scotia:			
3	Jan. 1952	104	105½
3¼	June 1956	104¼	106
3½	Nov. 1950	105¾	107¼
4½	Sept. 1952	114½	...
4½	Nov. 1960	133	...
5	Mar. 1960	138½	...
Ontario:			
3	Apr. 1948	100	...
3	Nov. 1950	101½	102¼
3¼	Nov. 1951	103¾	105¼
3¼	May 1955	104¾	106
4	June 1962	130	...
4½	June 1950	108½	110½
4½	Jan. 1962	137	...
5	Oct. 1948	107¼	108¾
5	Dec. 1960	142	...
5¼	July 1946	101	102¼
Ont. Hydro Commission:			
3	Aug. 1948	100	101½
3¼	Feb. 1953	104¼	105¾
3¼	Apr. 1947	101¼	102¾
Prince Edward Island:			
4	Mar. 1954	102	103
Quebec:			
3	Nov. 1947	101½	103
3½	Mar. 1943	101½	103½
3½	Mar. 1959	105¼	106¾
4	Nov. 1952	107½	109
3¾	Feb. 1955	107½	109
4½	Aug. 1958	113½	115
4½	Jan. 1963	118½	120
Alberta:			
3½	June 1954	102½	...
3½	June 1966	102½	...
3½	June 1968	108¾	...
3½	June 1972	108¾	...
3½	June 1978	108½	...
British Columbia:			
4	Dec. 1957	124	...
4½	Jan. 1951	121½	...
4½	Oct. 1953	125½	...
5	Apr. 1954	129	...
6	Feb. 1947	102¼	...
Manitoba:			
4	Man. 1957	124½	...
4½	Dec. 1956	128	...
5	Dec. 1959	136½	...
5	Oct. 1955	119½	121
6	Apr. 1947	102½	...
Saskatchewan:			
4	Sept. 1954	101	103
4	Nov. 1960	102	103½
4½	Oct. 1951	114	...
4½	Mar. 1960	115	...
5	Aug. 1958	109	111
5½	Oct. 1952	108	110
6	Mar. 1952	109½	111½

Unlisted Stocks

(Compiled from quotations supplied by Kamm, Garland & Co., Kippen & Co., Inc., and Plaxton, MacDonnell & Co.)

Feb. 25, 1946

	Bid	Ask
Aikenhead Hardware Co.	75.00	80.00
Abitibi new pfd.	18.00	19.00
Abitibi, new com.	14.00	15.00
Allens Kingston units	71.00	....
Allens London Theatre pfd.	54.00	....
Allens St. Catharines units	60.00	....
Allens Toronto units	38.00	....
Anglo Can. Telephone A	11.75	13.00
Beach Foundry pfd.	72.00	....
Brinton Peterboro Carpet	85.00	....
British American Assur.	60.00	....
British Mortgage and Trust	151.00	....
B. C. Sugar	92.00	95.00
B. C. Telephone 1st pfd.	115.00	....
Brockville Trust $50 par	52.00	....
Canada Machinery com.	12.00	14.00
Canada Tea pfd.	65.00	....
Canada Paving 1st pfd.	7.50	....
Can. Co-op. Woolgrowers	8.00	10.00
Canadian Fire	85.00	....
Can. Indemnity	160.00	....
Can. Investors Corp.	8.00	9.00
Canadian Motor Lamp A	10.00	12.00
Can. West Nat. Gas com.	37.00	....
Can. West Nat. Gas pfd.	106.00	108.00
Capital Trust Co. $100 par	70.00	....
Capital Wire Cloth com.	6.00	8.00
Capital Wire Cloth pfd.	22.00	....
Cawthra Apts. units	3.50	5.00
Chase, A. W., units	30.00	....
Colonial Realty com.	4.00	....
Colonial Steamships com.	90.00	....
Commercial Finance com.	10.00	....
Commercial Life 10% paid	7.00	9.00
Commonwealth Int. Corp.	4.01	4.41
Confederation Life Assoc.	145.00	....
Continental Life 20% pref.	33.00	....
Crown Life Ins. 100% paid	300.00	....
Debenture & Securities pfd.	97.00	....
Detroit International Br.	31.00	35.00
Dom. Can. Gen. Insurance	195.00	....
Dominion Life Assurance	180.00	....
Dover Industries Ltd.	11.25	12.25
Dunlop Tire pfd.	25.75	27.00
Edmonton Stock Yds. units	65.00	....
Empire Life Ins. 25% paid	15.50	18.00
Excelsior Life Ins. 42% paid	92.00	....
Federal Foundries & Steel Co., new com.	3.50	4.00
Foreign Power Sec. pfd.	15.00	18.00
Galt Brass com.	27.00	....
Goderich Elevator & Trans.	15.75	17.25
Great Lakes Power pfd.	114.00	117.00
Great West Life	360.00	....
Guardian Realty pfd.	30.00	....
Guelph and Ont. Svgs. $50	53.00	57.00
Gurney Foundry pfd.	2.80	3.50
Hart Battery com.	7.00	8.50
Highland Dairy pfd.	60.00	....
Homewood Sanitarium	95.00	....
Hudsons Bay ord.	13.00	....
Imperial Life	300.00	325.00
Industrial Mortgage Tr. $50	42.00	....
Ingram & Bell pfd.	94.00	....
Inter. Utilities $3.50 pfd.	57.00	59.00
Lambton Loan & Inv. $50	52.00	....
Loblaw Groc. Inc.	20.00	21.50
London & West. Trust $100	76.00	....
Manufacturers Life Ins.	275.00	300.00
Mayfson Food System	8.50	9.50
Midland Loan & Svgs. $10	16.00	19.00
Moirs Limited pfd.	97.00	....
Monarch Life Assoc. 20%	64.00	67.00
Monarch Mtge. units	3.00	4.50
Morrison Brass pfd.	4.00	5.00
Morrow Screw com.	16.00	....
Morrow Screw pfd.	101.50	....
National Drug & Chem. c.	5.25	6.50
National Hosiery pfd.	4.00	5.50
National Hosiery com.	5.00	6.50
National Life Assce. 25%	70.00	....
Neilson, Wm., com.	13.00	....
Neilson, Wm., pfd.	103.00	....
New Method Laundry units	96.00	....
North American Elev. 1 pf.	90.00	....
Ont. Tobacco Plant units	23.00	....
Paramount Kitchener units	53.00	....
Paramount Oshawa pfd.	87.00	....
Provincial Paper pfd.	108.00	111.00
Ritchie Cut Stone pfd.	3.00	....
Ruddy, E. L., pfd.	145.00	....
St. John Drydock pfd.	103.00	....
Sawyer Massey com.	1.75	2.50
Seiberling Rubber com.	9.00	....
Sincennes McNaughton T.	2.00	3.00
Sovereign Life Assce. 25%	30.00	32.00
Standard Fuel pfd.	98.00	102.00
Standard Fuel com.	1.50	....
Third Can. Gen. Inv.	3.90	4.20
Toronto Carpet pfd.	97.00	....
Toronto General Ins.	5.50	7.00
Trusts & Guarantee $100	93.00	....
United Farmers Co-op	3.00	4.00
United Steel A pfd.	26.25	27.50
Viceroy Mfg. pfd.	28.00	29.00
Victoria Trust & Svgs.	109.00	....
Waterloo Mfg. com.	102.25	....
Waterloo Trust & Svgs.	101.00	....
Western Assurance com.	60.50	63.00
Western Assurance pfd.	41.00	....
Western Grain com.	2.00	3.00
Western Grain pfd.	47.00	49.50
York Trading com.	5.50	....

Significant Investors' Index Numbers

	Mach. and equip.	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prod.	Beverages	Bldg. mater.	Power and traction	Banks	Total utilities	Total co's.
No. of Securities	10	7	4	4	10	13	8	16	14	8	18	100
(Base 1935-39=100)												
*1935 to date:												
High	174.2	253.5	149.7	123.7	190.3	132.4	362.1	153.6	146.2	127.7	149.0	134.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1945: Monthly Figures:												
Jan.	120.7	149.9	106.7	74.8	135.5	105.8	175.5	102.4	99.3	90.0	107.7	89.4
Feb.	122.8	154.0	108.4	77.9	136.2	106.8	184.9	103.0	100.9	89.5	111.6	92.9
Mar.	123.1	152.4	102.4	79.1	136.3	106.2	182.0	102.6	100.7	90.0	110.4	93.2
Apr.	123.1	147.4	106.4	77.8	136.5	107.1	194.4	104.7	101.6	89.6	112.4	94.2
May	131.6	151.3	110.1	78.9	140.8	105.7	202.6	107.8	102.8	90.1	115.0	97.6
June	138.2	160.5	117.2	82.8	149.7	107.6	212.1	116.9	109.7	96.6	126.5	102.5
July	137.0	155.3	112.9	79.7	150.4	110.7	212.0	117.1	107.4	99.1	125.0	100.5
Aug.	137.6	155.6	112.2	78.5	151.3	110.5	215.2	118.2	104.5	98.5	121.7	99.6
Sept.	138.6	169.3	115.1	77.9	153.4	113.7	226.0	122.2	108.4	98.1	124.7	102.0
Oct.	141.3	183.8	115.6	77.0	153.9	115.6	266.2	127.4	107.9	98.9	124.6	104.2
Nov.	145.2	201.5	121.9	79.0	167.1	116.6	289.7	131.3	108.0	100.2	126.0	107.2
Dec.	155.1	226.6	127.5	81.5	173.8	116.7	305.3	138.5	114.7	107.5	135.9	112.8
1946: Weekly Figures:												
Jan. 3	156.5	244.1	126.7	82.1	178.3	119.2	331.9	142.1	117.7	114.0	140.3	115.6
Jan. 10	166.3	253.1	128.9	89.8	181.9	121.6	346.6	146.3	127.1	117.1	148.5	121.5
Jan. 17	167.4	253.5	130.9	91.8	182.4	127.8	359.7	148.9	124.7	121.8	148.3	124.1
Jan. 24	163.4	249.7	130.7	90.3	183.3	129.8	362.1	148.0	125.6	121.5	149.0	123.9
Feb. 7	173.6	251.5	133.6	86.5	190.3	131.7	345.9	153.6	125.1	126.4	148.0	124.3
Feb. 14	172.2	248.8	133.4	84.4	188.8	132.4	332.8	150.9	119.7	127.7	144.9	122.2
Feb. 21	174.2	249.2	132.3	85.5	187.7	129.5	330.7	149.2	123.9	125.7	147.6	121.9

*High and low for years from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Feb. 26	182.51	136.60	96.97	29.89
Feb. 25	185.28	138.36	99.03	30.45
Feb. 23	.....	.....	.....	.....
Feb. 22	189.64	142.12	101.75	30.85
Feb. 21	189.13	142.00	101.96	31.21
Feb. 20	186.78	140.62	100.97	30.99
Month ago	186.92	141.54	103.30	33.04
Year ago	138.02	120.78	77.64	29.13
1945-46 High	193.34	147.31	108.20	33.69
1945-46 Low	131.90	107.88	72.49	26.35

Montreal Stock Exchange Average

	10 Util.	20 Ind.	20 Comb.	10 Pprs.	15 Golds
Feb. 26	76.6	127.4	110.5	309.97	116.69
Feb. 25	77.2	128.4	111.3	312.39	116.81
Feb. 23	....	....	....	....	....
Feb. 22	77.8	131.9	113.8	329.67	117.23
Feb. 21	77.8	132.3	114.1	330.90	116.83
Feb. 20	77.1	130.2	112.5	330.38	116.28
Month ago	78.7	135.1	116.3	332.70	113.77
Year ago	60.9	96.1	84.4	193.92	90.78
1946 High	79.4	138.1	118.4	309.97	118.56
1946 Low	73.5	127.2	109.4	312.39	109.04

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Feb. 26	186.02	60.53	37.97	69.81
Feb. 25	187.23	61.03	38.01	70.25
Feb. 23	.....	.....	.....	.....
Feb. 22	.....	.....	.....	.....
Feb. 21	195.62	63.34	39.26	73.15
Feb. 20	192.38	61.86	38.44	71.76
Month ago	196.13	62.86	39.10	73.08
Year ago	158.41	50.90	28.06	59.13
1945-46 High	206.97	68.23	41.74	77.80
1945-46 Low	151.35	47.03	26.15	55.85

Grain Prices

Winnipeg Grain Futures

Week to Feb. 26, 1946

Crop year from Aug. 1, 1945 High	Low		High for week	Low for week	Close Feb. 26
		Oats*			
.51½	*.51½	May	.51½	.51½	.51½
		Barley*			
.64¾	.64¾	May	.64¾	.64¾	.64¾
		Rye			
2.74	1.34⅞	May	2.74	2.67	2.47
2.66¼	1.49¼	July	2.66¼	2.54½	2.39½
1.98½	1.59½	Oct.	1.96¼	1.79¼	1.83⅞

*At ceiling.

Cash Quotations

	For Week Feb. 26 High	Low	Prev. Week High	Low
Oats*				
2 C. W.	.51½	.51½	.51½	.51½
3 C. W.	.51½	.51½	.51½	.51½
Barley*				
1 Feed	.64¾	.64¾	.64¾	.64¾
2 Feed	.64¾	.64¾	.64¾	.64¾
Rye				
2 C. W.	2.74	2.50	2.71	2.55

*At ceiling.

Unlisted Mines

Approximate quotations, 3 p.m., Feb. 26, subject to confirmation:

	Bid	Ask
Abenakis	.12	.14
Advance	.15	.18
Albany R new	.40	.44
Alcan	.07	.09
Alexander	.41	.44
Aljo	.07	.08
Ama Kir	.15	.17
Ama Lar	1.90	2.00
Anna'que	.12	.14
Anoki	.09	.11
Apex Oil	.07	.08
Argonaut	..	.19
Arntfield old	.07	.09
Audley	.05	.07
Aurlando	.10	.13
Aurora Y	.47	.50
Auterra	.04	.06
Barb L new	.07	.08
Blondor	.15	.17
Blue Grass	.08	.10
Bouzanne	.21	.24
Brae Brst	.14	.16
Bravo	.07	.09
Brewis	.37	.42
Brig R L	.14	.17
Brock	.18	.20
Burley PO	.04½	.05½
Callinan 1939	.36	.39
Camlaren	.12	.14
Carricona	.10	.12
Cassidy	.27	.30
Cen Mani	.13	.15
Cheskirk	.36	.40
Cock RL	.10	.11
Columbier	.32	.35
Con Chib	.52	.55
Con Cop	.30	.32
Courageo	.20	.25
Craibbe	.43	.45
Croydon	.17	.20
Cuyuni	1.70	1.80
D'Aragon	.47	.50
Derlak	.09½	.11
Detta	.42	.45
De Santis new	.15	.17
Dexter	.90	1.00
Discovy	1.06	1.08
Dom Mal	.06	.08
Dona Pat	.05	.07
Doris	.55	.58
Dunford	.18	.21
Eastward	.32	.35
Electra	.16	.18
Elmac	.50	.53
Eurek Co	3.70	3.80
Gilbec	.03½	.04½
Goldvue	.75	.78
Godrock	.07	.09
Gord Lek	.14	.16
Governor	.27	.29
Greenlee	.21	.23
Gwillam	.34	.38
Habitant	2.25	2.35
Harp Mal	.07½	.09
Hayes CD	.07	.09
Highridge	.14	.16
Hoyle	.21	.24
Hugh P P	.14	.16
Independt	.19	.22
Indyke	.40	.45
Joannes D	.09	.11
Kamlac	.34	.37
Ken-Bay	.21	.24
Kencour	.08	.10
Kenda Pe	.32	.37
Kenroy	.07½	.09
Laguerre	.47	.50
L Rowan 1945	.33	.36
Lk Expa	.13	.15
Lar-Add	.10	.12
Larder U	.12	.13
La Salle	.27	.29
Lavalie	.13½	.15
Legardo	.05	.06
Lingnora	.19	.22
Louvore	.06½	.08
MacFie	.62	.65
Major Oil	.09	.11
Manterre	.08	.10
Marbenor	.27	.30
Marquette	.05½	.06½
Mar Bird	.13	.15
Mary Ann	.17	.19
Mat Con	.48	.53
Mate Yel	.14	.17
Metalore	.06	.08
Mic of CN	.25	.29
Miles R L	.28	.32
Moffat H new	.03½	.04½
Mohawk P	.06	.08
Murbell	.05	.06
Murmac	.24	.26
Mylama	.20	.22
McCuaig	.20	.22
McManus	.20	.22
Nat Mal	.47	.50
Nayb '45	.52	.55
Nereco	.35	.40
New Aug	.20	.23
New Mal	.09	.12
New Nor	.23	.26
Nic Off	2.50	2.90
Norbeau	1.20	1.35
Norcourt	.13	.16
Norford	.13	.16
Nortyne	.04	.06
Novele P	.12	.14
Obalski	.29	.32
Obalski 1945	.81	.85
Obaska	.32	.37
Okled	.11	.13
Olivet	.06	.07
Opemiska	.32	.35
Orpit	.12	.15
Ortona	.14	.16
Pascalis	.42	.45
Peg Tan	2.90	3.10
Pelangio	.13½	.15
Phelps	.17	.20
Pinnacle	.16	.18
Pona Go	.05	.07
Presdor	.06	.07
Privateer	.70	.75
Quest	.37	.40
Rajah R L	.09	.11
Rambull	.06	.08
Rand Mal	.18	.20
Raym Tib	.12	.14
Rebair	.47	.52
Redruth	.24	.27
Redwood	.15	.17
Richgroup	.20	.23
Ritoria	.08	.10
Rhyolite	.05½	.06½
Santiago	.92	.95
Sheldon	.70	.75
Skyn Lk	.07	.08
Steeber	.28	.30
Sun Bear	.09	.09½
Thornhill	.45	.47
Tiffany	.10	.13
Tobico	.06	.07
Tombill	.51	.54
Tovarich	.06	.07
Val D'Bel	.09	.11
Vin Min	1.00	1.15
Vinray	.25	.30
Virginia	.28	.31
Weku Con	.49	.51
Wesley	.06½	.07½
West R L	.08	.10
West Sho	.04½	.05½
Wilwood	.13	.15
Winchest	.20	.23
Wingait	.16	.19
Y Davids	.37	.40

Dividends Declared

	This payment $	Date payable	Date of record
Acadia-Atlan. S.			
5% pf.	1.25	Mar. 15	Feb. 20
Do., A	.25	Apr. 1	Mar. 10
Agnew-surp. 7% p.	1.75	Apr. 1	Feb. 28
Aluminium	2.00	Mar. 5	Feb. 8
Do., 6% pfd.	†1.50	Mar. 1	Feb. 1
Aluminum 5% pf.	1.25	May 1	Apr. 3
Argus Corp. 4½% p.	1.12½	Mar. 1	Jan. 31
Barber-Ellis	.12½+.12½	Mar. 15	Feb. 28
Beaver Lumber		Apr. 1	Mar. 10
Belding-Cor. 7% p.	1.75	Apr. 1	Feb. 28
Belgium Glove	.17½	Apr. 11	Mar. 15
Do., 5% pr.	.25	Apr. 1	Mar. 1
Belleterre Quebec	.10	Mar. 15	Feb. 15
Borden Co.	†.50	Mar. 2	Feb. 15
B. C. Packers	1.00	Mar. 15	Feb. 28
Brewing Corp.	.62½	Mar. 11	Feb. 25
Brew. & Dist.	.50+.20	May 20	Apr. 19
Br. Amer. Bk. Nts.	.25	Mar. 15	Feb. 15
Bruck S. Mills	.20	Mar. 15	Feb. 15
Burlington Steel	.15	Apr. 1	Mar. 11
Calgary & Edmon.	.05	Apr. 16	Mar. 19
Can. Cement pf.	1.62½	Mar. 20	Feb. 22
Can. Cottons	.45	Apr. 1	Mar. 1
Do., 6% pfd.	.30	Apr. 1	Mar. 1
Can. Breweries	.25	Apr. 1	Feb. 28
C. Crushed Stone	.10	Mar. 20	Mar. 1
Candn. Fgn. Inv.	.75	Apr. 1	Mar. 1
Can. Food Prod.	.12½	Apr. 1	Feb. 28
Do., "A"	.25	Apr. 1	Feb. 28
Do., In. Fun. Rts.	1.00	Mar. 15	Dec. 31
Can. Forgings (A)	.37½	Mar. 15	Mar. 1
Can. Malt	.50	Mar. 15	Feb. 15
Can. Perm. Mtge.	2.00	Apr. 1	Mar. 15
C. Pac. Rly. ord.	.75	Mar. 30	Feb. 25
Confederation Life	1.50	Mar. 15	Mar. 10
Do.	1.50	Jun. 15	Jun. 10
Do.	1.50	Sept. 15	Sept. 10
Do.	1.50	Dec. 15	Dec. 10
Con. Bakeries ord.	.20	Apr. 1	Mar. 5
Cinzano Ltd.	4½d	Mar. 15	Mar. 1
Do., 5½% pf.	.05	Apr. 16	Mar. 9
Consumers Glass	.50	Feb. 28	Jan. 25
Can. Cycle 5% pf.	1.25	Mar. 30	Mar. 15
Can. Malting	.50	Mar. 15	Feb. 15
Can. Bread 4½% pf.	1.12½	Apr. 2	Mar. 10
Can. Bread 5% pf.	.62½	Apr. 2	Mar. 10
Can. Northern Pr.	.15	Apr. 25	Mar. 20
Do., 7% pf.	1.75	Apr. 15	Mar. 20
Can. Wire Box. A	.37½	Apr. 1	Mar. 11
Dom. & Ang. Inv. 5% pfd.	1.25	June 1	May 15
Dist. Corp.-Seag.	.55½	Mar. 15	Mar. 1
Do., 5% pf.	†1.25	May 1	Apr. 13
Dom. Malt	.20	May 1	Mar. 31
Do.	.20	Aug. 1	June 30
Do., 5% pfd.	1.25	May 1	Mar. 31
Do.	1.25	Aug. 1	June 30
Dom. Textile	1.25	Apr. 1	Mar. 5
Do., 7% pfd.	1.75	Apr. 15	Mar. 15
Dom. Stores	.20	Mar. 15	Feb. 16
English Elec. "A"	.25	Mar. 15	Feb. 28
Economic Invest.	1.20	Apr. 1	Mar. 1
Fanny Farmer	†.37½	Mar. 30	Mar. 15
Gatineau Pwr.	.22	Apr. 1	Mar. 1
Do., 5% pfd.	1.25	Apr. 1	Mar. 1
Do., 5½% pfd.	1.37	Apr. 1	Mar. 1
Goodyear Tire	1.00	Apr. 1	Mar. 1
Do., 5% pfd.	.62½	Apr. 1	Mar. 1
Gt. W. Saddl'y 1 p.	.75	Mar. 30	Feb. 28
Do., 2nd pfd.	.75	Mar. 30	Feb. 28
Hudson B. M. & S.	.50	Mar. 11	Feb. 8
Huron & Erie	1%	Apr. 1	Mar. 15
Imperial Tob. 6% p.	3%	Mar. 20	Feb. 12
Do., ord.	.10+.15	Mar. 30	Feb. 12
Ind. Accept. 5% p.	1.25	Mar. 31	Mar. 1
Ingram & Bell pfd.	6.00	Mar. 15	Feb. 28
Int. Bronze	.20	Apr. 15	Mar. 15
Do., 6% pfd.	.37½	Apr. 15	Mar. 15
Inv. Found. 6% pf.	.75	Apr. 15	Mar. 15
Intnl. Paper	†.50	Mar. 30	Mar. 8
Do., 5% pref.	†1.25	Mar. 30	Mar. 11
Intnl. Nickel	†.40	Mar. 30	Feb. 28
Jamaica P. Serv.	.17	Apr. 1	Feb. 28
Do., 7% pfd.	1.75	Apr. 1	Feb. 28
Langley's 7% pfd.	.50	Mar. 11	Mar. 4
Do.	.50	June 11	June 4
Do.	.50	Sept. 11	Sept. 4
Do.	.50	Dec. 11	Dec. 4
Lowney Co.	.12½	Apr. 2	Mar. 1
Macassa M.	.03	Mar. 15	Feb. 20
MacKinnon Str. p.	1.25	Mar. 15	Feb. 23
Maple Leaf	.50	Mar. 15	Mar. 1
Monarch Kt. 7% p.	1.75	Apr. 1	Feb. 22
Do., 5% pf.	1.25	Apr. 1	Feb. 22
Molson's Brew.	.25	Mar. 27	Mar. 6
Montreal Cottons	1.00	Mar. 15	Feb. 15
Do., 7% pfd.	1.75	Mar. 15	Feb. 15
Montreal L. & M.	.31½	Mar. 15	Feb. 28
Natnl. Biscuit	†.30	Apr. 15	Mar. 8
Natnl. Grocers	.15	Apr. 1	Mar. 1
Do., $1.50 pf.	.37½	Apr. 1	Mar. 1
Natnl. Pete.	.01	Mar. 15	Feb. 28
Niagara Wire	.25	Apr. 1	Mar. 6
Noranda	1.00	Mar. 15	Feb. 15
North. Utilities pf.	1.50	Mar. 1	Feb. 19
Ogilvie Flour	.25	Apr. 1	Feb. 26
Ottawa Lt. & Pr.	.15	Apr. 1	Feb. 20
Do., 5% pf.	1.25	Apr. 1	Feb. 20
Page-Hersey	.31½	Apr. 1	Mar. 15
Pantepec Oil	†.32	Mar. 1	Feb. 18
Paymaster	.01	May 10	Apr. 10
Paton Mfg. 7% pf.	1.75	Mar. 15	Feb. 28
Do.	1.00	Mar. 15	Feb. 28
Paramount Pict.	†.50	Mar. 29	Mar. 8
Powell River	.30	Mar. 15	Feb. 19
Preston E. Dome	.03	Apr. 15	Mar. 15
Price Bros.	1.50	May 1	Apr. 10
Do., pfd.	1.37½	Apr. 1	Mar. 1
Power Corp. 6% p.	1.50	Apr. 15	Mar. 20
Do., 6% 2 pt. pf.	.75	Apr. 15	Mar. 20
Proprietary Mines	.05	Mar. 8	Feb. 8
Reg't Knit $1.60 p.	.40	June 1	May 1
Do.	.40	Sept. 1	Aug. 1
Do.	.40	Dec. 2	Nov. 2
Reliance Grain p.	1.62½	Mar. 15	Feb. 28
Sarnia Bridge	.25	Mar. 15	Feb. 28
San Antonia	.10	Apr. 6	Mar. 6
Sher.-Wms. 7% pf.	1.75	Apr. 1	Mar. 8
Simpson Ltd., 4½% pfd.	1.12½	Mar. 15	Feb. 16
Sicks' Brew.	.40	Mar. 30	Feb. 28
Silknit 5% pf.	.50	Mar. 15	Mar. 1
Silverw'd Dairies	.20+.10‡	Apr. 1	Feb. 28
Do., 40c pf.	.20	Apr. 1	Feb. 28
Silverwood (West.) 5% pfd.	1.25	Apr. 1	Feb. 28
Southern Can. Pr.	.20	May 15	Apr. 19
Do., 6% pr.	1.50	Apr. 15	Mar. 20
Stand. Chem. pfd.	1.25	June 1	Apr. 30
Stan. Paving pf.	.31½	Apr. 1	Mar. 1
Stedman Bros.	.25&.50	Apr. 1	Mar. 20
Sylvanite Gold	.03	Apr. 1	Feb. 4
Tamblyn	.20	Apr. 1	Mar. 8
Do., 5% pf.	.62½	Apr. 1	Mar. 8
Tooke Bros.	.25	Apr. 3	Mar. 15
Toronto Elevator 5½% pf.	.65	Mar. 7	Feb. 25
Un. Fuel 6% A p.	.75	Apr. 1	Mar. 9
Wabasso	1.00	Apr. 1	Mar. 16
Waite Amulet	.15	Mar. 8	Feb. 8
Walker-Good.	1.00	Mar. 15	Feb. 8
Do., pfd.	.25	Mar. 15	Feb. 8
Wellington Fire	1.75	Aug. 15	Aug. 12
Woods Mfg. Co.	.50	Mar. 30	Feb. 28
Wright-Harg.	.05	Apr. 1	Feb. 21

†N. Y. funds.
‡Extra.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$12.05	$12.04	$11.20
Hogs	18.22	19.13	17.55
Copper, lb.	*.12	.12	.12
Sugar, raw, lb.	*.0374	.0374	.0374
Coffee, lb.	.09⅜	.09⅜	.09⅜
Hides	*.15½	.15½	.15½
Weekly Indices			
U. S. Labor	107.2	107.1	105.0
Dow Jones	107.59	107.70	95.93
Fishers	116.7	116.4	114.5
Monthly Indices			
Canada (D.B.S.):			
Retail (Jan.)	119.1	120.1	118.6
W'sale (Nov.)	107.2	104.2	86.0
U. S. (Oct.)	105.9	105.2	104.1
Gt. Brit. (Oct.)	169.4	169.6	166.7

Note:—The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good over 1,050 lb., top price, Toronto. Copper-electrolytic. New York. No. 7 coffee. Rio Sugar 96 degrees centrifugal c/f New York.

*Ceiling prices fixed by the office of Price Administration.

Bond Redemptions

Bond Issues:	Rate	Year	Due	Price
‡Can. I. Inv. Trust	5%	1959	Apr. 1	102½
‡Candn. Locomo.	6%	1953	Apr. 12	105
‡Can. Utilities	5%	1955	Mar. 1	103
City Dairy Ltd.	5%	1956	Apr. 1	102½
Do.	6%	1956	Apr. 1	100
Dom. Dairies	6%	1957	Mar. 1	102½
‡Dom. Steel & C.	6½%	1955	Mar. 1	110
Edm. City Dairy	5%	1960	Apr. 1	100
Do.	5½%	1960	Apr. 1	100
‡Fed. Grain	6%	1949	Feb. 28	102
Int. Paper	6%	1955	Mar. 1	105
Rio De Janeiro Trams	5%	1958	Apr. 1	par
N. S. L. & Pwr.	4%	1957	Mar. 1	103
Purity Dairy	5%	1956	Apr. 1	100
Massey-Harris	4½%	1954	Mar. 4	102
Saguenay Pr. A.	4½%	1966	Apr. 1	104
Do., B	4½%	1966	Apr. 1	104
Windsor Gas	5%	1966	May 1	100

‡All outstanding bonds.

Municipal Bonds

Feb. 26, 1946

	%	Due	Bid	Ask.	Yld. %
Halifax	3½	1965	104	106	3.08
Hamilton	5	1950	108⅞	110⅞	2.25
Montreal	3	1950	100	101½	2.77
Ottawa	3	1953	103	105	2.25
Quebec	3	1964	100	102	2.85
†Quebec	5	1959	128	...	...
Saint John	5	1950	107	109	3.00
†Toronto	4½	1955	131	...	...
†Vancouver	5	1970	139	...	...
Winnipeg	6	1950	112	114	2.50

†Payable Canada and New York.

Investment Trusts

	Bid	Asked
Affiliated Funds	4.92	5.38
Can. Int. Trust	4.50	4.95
Can. Invest.	4.80	5.35
Can. Investors	8.00	9.00
Commonwealth Int.	3.90	4.29
Corporate Inv.	9.30	10.00
Trans-Canada (A)	14.55	...
Do. (B)	...	14.20

DIVIDEND NOTICES

Chartered Trust and Executor Company

DIVIDEND

NOTICE is hereby given that a dividend of 1¼% has been declared on the paid-up Capital Stock of the Company for the quarter ending March 31st, 1946, payable April 1st, 1946, to shareholders of record at the close of business March 15th, 1946.

By Order of the Board.

E. W. McNEILL, Secretary.

Dated at Toronto, January 24th, 1946.

CANADA PERMANENT MORTGAGE CORPORATION

Notice is hereby given that a Dividend of TWO PER CENT. on the paid-up Capital Stock of the Corporation has been declared for the current quarter, and that the same will be payable MONDAY, THE FIRST DAY OF APRIL next, to Shareholders of record at the close of business on the Fifteenth day of March 1946.

By order of the Board.

Walter F. Watkins, Secretary.

TORONTO, February 13th, 1946.

SOUTHERN CANADA POWER COMPANY, LIMITED

The Board of Directors has declared this day the following dividends:

6% Cumulative Participating Preferred Stock

No. 105, quarterly, $1.50 per share, payable April 15th, 1946, to holders of record at the close of business March 20th, 1946.

No Par Value Common Stock

No. 84, quarterly, 20c. per share, payable May 15th, 1946, to holders of record at the close of business April 19th, 1946.

L. C. HASKELL, Secretary.

Montreal, January 25th, 1946.

CONSOLIDATED BAKERIES OF CANADA LIMITED

NOTICE IS HEREBY GIVEN that a dividend of twenty cents (20c) per share on the outstanding shares in the capital stock of Consolidated Bakeries of Canada Limited, has been declared payable on the 1st day of April, 1946, to shareholders of record at the close of business on the 5th day of March, 1946.

By Order of the Board.

H. O. NEALE, Secretary.

Canadian Wirebound Boxes Limited

DIVIDEND NOTICE

The Directors of the Company have declared a dividend of thirty-seven and one-half cents (37½c) a share on account of arrears on the Class "A" shares of the Company, payable April 1st, 1946, to holders of record the close of business March 11th, 1946.

By Order of the Board.

F. H. ELLIS, Secretary.

THE Calgary & Edmonton Corporation Limited

Notice is hereby given that a dividend of five cents per share was declared on the 7th day of February, 1946, subject to the approval of the Foreign Exchange Control Board, payable 16th April, 1946, to shareholders of record at the close of business on the 9th day of March, 1946.

The Transfer Books of the Corporation will be closed from the close of business on the 9th day of March, 1946, to the opening of business on the 21st day of March, 1946.

BY ORDER OF THE BOARD.

C. E. REECE, SECRETARY.

Dated at Winnipeg, Manitoba, this 7th day of February, 1946.

DIVIDEND NOTICE

New Method Laundry Co. Limited

Notice is hereby given that one quarter's dividend at the rate of 6½% per Annum on the Preferred Shares of the Company, has been declared payable on Monday, March 18th, 1946, to shareholders on record at the close of business on Friday, March 1st, 1946.

By Order of The Board,

JOSEPH S. MORIN, Secretary.

SILVERWOOD WESTERN DAIRIES LIMITED

PREFERRED DIVIDEND NO. 4

Notice is hereby given that the regular quarterly dividend of One Dollar and Twenty-five Cents ($1.25) per share has been declared on the preferred shares of the Company, payable April 1st, 1946, to shareholders of record as at the close of business February 28th, 1946.

BY ORDER OF THE BOARD.

J. H. Gillies, Secretary.

TORONTO, ONT. 20th February, 1946.

RELIANCE GRAIN COMPANY LIMITED

6½% CUMULATIVE PREFERRED STOCK

NOTICE is hereby given that a dividend of one and five-eighths per cent (1⅝%) per share, being a dividend for the quarter ending February 28, 1946, was declared by the Directors at a meeting held this day and is payable on March 15, 1946, to all preference shareholders of record with the Transfer Agents of the Company at the close of business February 28, 1946.

By order of the Board,

A. W. GIBB, Secretary.

Winnipeg, February 6, 1946.

DIVIDEND NOTICES

DIVIDEND NOTICE

Canadian General Electric Company, Limited

Notice is hereby given that a dividend of two dollars per share for the quarter ending March 31, 1946, has been declared on the Common Stock of the Company.

That the above dividend is payable April 1, 1946, to shareholders of record at the close of business March 15, 1946.

By Order of the Board.

W. H. NESBITT, Secretary.

Toronto, February 25, 1946.

San Antonio Gold Mines Limited

(No Personal Liability)

DIVIDEND NO. 25

Notice is hereby given that a dividend of 10c a share has been declared on the outstanding capital stock of the Company, payable in Canadian funds, on the 6th day of April, 1946, to shareholders of record at the close of business on the 6th day of March, 1946.

By Order of the Board.

M. SNYDER, Secretary.

Winnipeg, February 9th, 1946.

H. R. MacMillan Export Company Limited

Shareholders are advised that Dividend No. 22 in the amount of five cents per Common share has been declared in respect of the first quarter of 1946, payable March 30th to shareholders of record March 20th. The transfer books of the Company at the office of the transfer agent, The London and Western Trusts Company Limited, 455 Howe Street, Vancouver, B.C., will be closed from March 21st to March 25th, both dates inclusive.

H. H. WALLACE, Secretary.

Vancouver, B.C., March 1st, 1946.

FRASER COMPANY LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of fifty cents per share has been declared on the common stock of the Company for the quarter ending March 31st, 1946, payable on the 25th day of April, 1946 to shareholders on record on the 30th day of March, 1946.

By order of the board,

G. G. GILLES, Secretary.

CENTRAL PATRICIA GOLD MINES LIMITED

(No Personal Liability)

85 Richmond Street West, Toronto, Canada

DIVIDEND NO. 39

A dividend of 3c per share (Canadian Funds) has been declared by the Directors on the Capital Stock of the Company, payable the 1st day of April, 1946, to Shareholders of record the 4th day of March, 1946.

Dated at Toronto, this 21st day of February, 1946.

By Order of the Board,

ALAN COCKERAM, Secretary.

SICKS' BREWERIES LIMITED

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN THAT a Quarterly Dividend (No. 67) of 40 cents per share on the No Par Value Common shares of the Company, issued and outstanding, has been declared payable on the 30th day of March, 1946, to shareholders of record at the close of business on the 28th day of February, 1946.

By Order of the Board,

I. N. WILSON, Comptroller.

CALGARY, Alberta, February 21st, 1946.

Dominion Textile Co. Limited

Notice of Preferred Stock Dividend

A DIVIDEND of One and Three-Quarters per cent (1¾%) has been declared on the Preferred Stock of DOMINION TEXTILE COMPANY, Limited, for the quarter ending 31st March, 1946, payable 15th April, 1946, to shareholders of record 15th March, 1946.

By order of the Board,

L. P. WEBSTER, Secretary.

Montreal, February 20th, 1946.

Dominion Textile Co. Limited

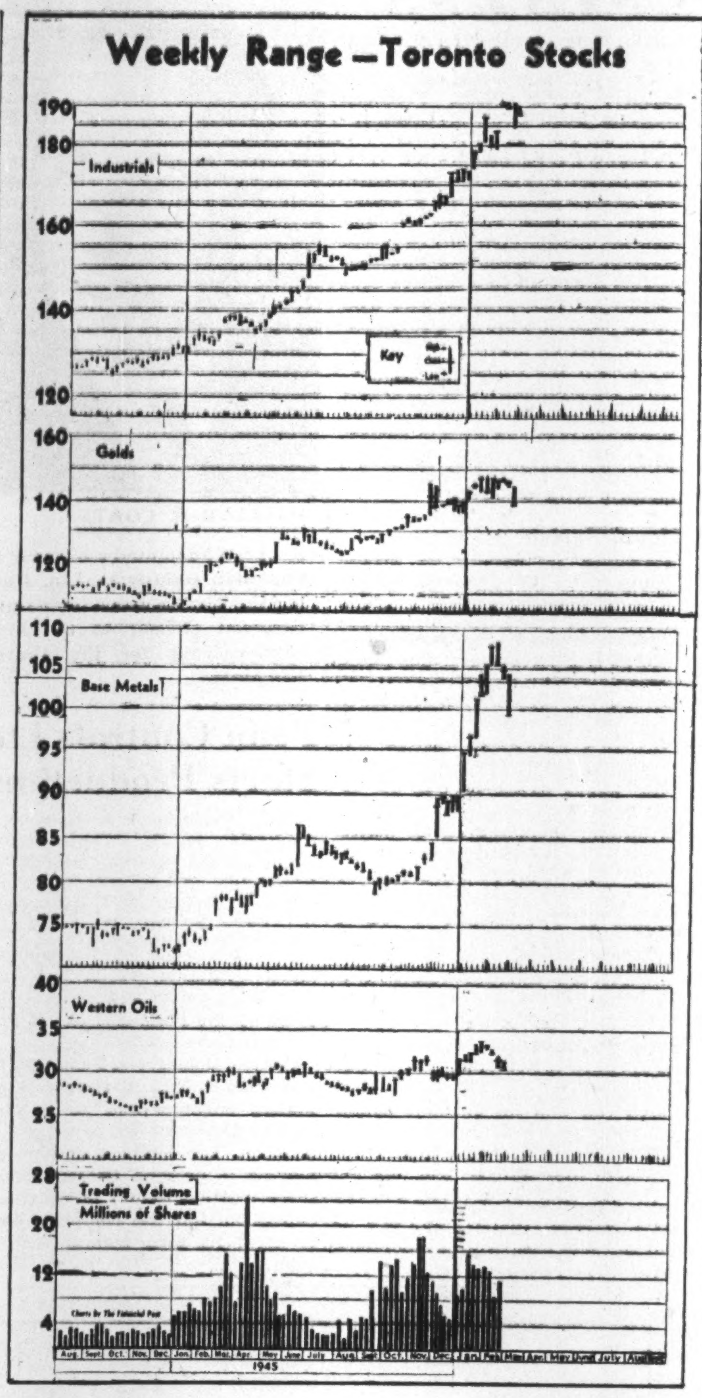
Notice of Common Stock Dividend

A DIVIDEND of One Dollar and Twenty-five cents ($1.25) per share, has been declared on the Common Stock of DOMINION TEXTILE COMPANY, Limited, for the quarter ending 31st March, 1946, payable 1st April, 1946, to shareholders of record 5th March, 1946.

By order of the Board,

L. P. WEBSTER, Secretary.

Montreal, February 20th, 1946.



Will Seek Longer "Cuff" To Ease Credit Buying

Installment plan buying, still under strict control of the consumer credit branch, WPTB, is today a question mark among Canadian retail merchants large and small. Some would like to see all controls removed; many would modify but continue regulations.

In Winnipeg this week the Retail Merchants' Association of Canada is spotlighting the question. At the end of next week in Toronto the Credit Granters' Association of Canada and the Associated Credit Bureaus of Canada will also explore the problem.

One recommendation urges uniform legislation when regulation of credit buying and selling returns to provincial jurisdiction. A smaller down payment than the 33-1/3% of purchase price now required, is advocated, with possible easing of length-of-payment terms. At present a 10-month basis is permitted where the deferred balance is less than $500; a 15-month contract if over that sum.

Saskatchewan has declared itself in favor of controlling installment buying and selling; and Ontario and Quebec are being asked to study the question.

Meantime, as durable consumer goods become available, retailers interviewed by The Financial Post report a slight upward impulse in installment buying. When sales on a special 90-day basis to veterans making purchases on DVA re-establishment grants are added in, a distinct jump in credit sales volume is noted.

One large department store reports January, 1946, dollar volume of credit sales, including 90-day sales to veterans, 34.1% above January, 1945. The first half of February showed a continued gain to 40.9%. Even with this, however, credit sales volume in the store concerned was only 7½% of total sales in dollar volume, whereas in 1939 it reached 18%. Without sales to veterans on the 90-day basis, credit business in this store would still lag behind the total of one year ago.

Five departments — furniture, washing machines, stoves, radios, automobile tires—made up the bulk of the increase. DBS retail index for December breaks down returns from 17 department stores, shows the following major gains over total retail sales for December, 1944: furniture (including springs and mattresses) 16.4%, home furnishings 13.7%, household appliances and electrical supplies 50.0%, radios, musical instruments and supplies 69.0%.

Canada's $50 Million Speculation in Rubber

(Continued from page 13)

are negotiated, is anyone's guess. But it is certain that almost any tire company would quickly use a very large amount of crude if it could be obtained at or below the price of synthetic. But that's only a pipe dream for 1946 and perhaps for many years to come.

Certainly the most efficient synthetic plants both here and the United States will be kept in operation, if for no other reason than to stabilize rubber prices. In the decade 1913-22, the average price of crude rubber at New York was 53.6 cents a pound. In the next decade it had dropped to 28.2 cents; between 1932 and 1942 to 16.5 cents. Had this been a steady decline it would have been highly satisfactory, but when crude prices plummet overnight by five, 10 or even 40 cents a pound, tire companies which must carry huge inventories, stand to lose millions of dollars. In the price collapse of the early twenties, one large organization was only saved from bankruptcy by a hair's breadth.

That raises a big question as to where the ultimate consumer fits in. Rubber consumption, on the basis of pre-war experience, was about 1/3 passenger tires, 1/3 truck and bus tires and the remainder footwear and various mechanical goods.

Tire companies say they now know how to make better tires than were made before the war. Basic ingredients for such tires, it is stated, would be rayon fabric, Buna-S and crude. Proportions would depend on the size of tire. For example: a passenger tire might be 90% Buna-S and 10% crude. A large truck tire might be fifty-fifty. Such tires should outlast anything previously made from all-crude; will be better on wet pavement, etc.

Whether this "ideal" tire will be the final pattern for North American usage will depend in part on crude vs Buna prices. It will also depend on consumer preference and further experimentation and tests continuously under way.

For instance, Canadians are now finding that synthetics are not satisfactory on ice and snow—they have less traction. Exhaustive tests may produce something to overcome this defect. If not, consumers in Canada may remain lukewarm to Buna tires for some time to come.

To-date, most of the experimentation on Buna tires has been in the other direction—keeping them cool. So far, the best answer to this is a rayon fabric (rayon stands up under heat better than cotton and its greater strength permits a lighter type of tire. There has been no challenge of the fact that Buna tread has longer life than crude, nor any challenge of the need for crude rubber at certain strategic points.

Buna rubber bounces off the machines at Sarnia in 75-pound blocks, brown, spongy and with a nice "top" just like a pan of gingerbread coming out of the oven. It is then dusted with soapstone, packed neatly into kraft-paper bags, and piled on trucks ready for shipment.

Butyl rubber comes out in a never-ending "strip," which looks like the old-fashioned sheets of gelatine which housewives cut into pieces to soak, many years ago. Before that it has emerged from the "shredded coconut" stage into long endless miles of "macaroni."

The process at Sarnia goes on 24-hours a day—a miracle of modern chemistry and science as well as a unique and highly-successful experiment in government - industry partnership. Right now, it looks like an experiment that is going to last.

Market Comment

U. S. and Canadian markets suffered their widest breaks this last week since 1940. On Monday, darkest day, the U. S. Dow-Jones industrial average skidded 8.39 points; the Toronto industrial index dropped 4.36 points. By Tuesday's close the Dow-Jones industrial index had lost a little over 40% of all its gain made since V-J Day, the Toronto industrial index 25%.

Canadian market performance was surprisingly strong all along the line in the face of New York's liquidating splurge. Time and again sizeable Canadian rallies were only plowed under as fresh waves of selling hit the American markets. At lowest levels Canadian volume dried up every time. Some indication that the main break was beginning to outrun itself came on Tuesday when volume showed heaviest on market upturns and tended to peter out on subsequent relapses.

New York brokers report that most of the recent selling has been by clients who have been saving part of their profits, rather than from sources which have been taking actual losses.

Many investors up to now have been willing to hold stocks they realize are far out of line with earnings, counting on relaxation of price controls and quick return to high volume industrial output to cushion intermediate company earnings. Events across the line have pretty well dispelled these hopes, even in the minds of the most optimistic, and the whole investment picture has been rudely jerked back to present earnings realities.

Most investment experts are advising clients who have weathered the storm so far to stick with the ship now but they are also advising to hold cash reserves until the market develops further.

The oft-repeated bullish factors of great supplies of easy money and vast backlogs of consumer demands still persist, however. As long as other avenues of investment remain unattractive and limited, and consumer goods continue to reach the market in only trickles, speculative money will continue to be channeled into the stock market, and will ultimately arrest any prolonged sell-off.

* * *

The Wall Street Journal: Harry D. Comer of Paine, Webber, Jackson & Curtis: "The stock market now stands where it did at the end of 1945. Perhaps the wide and sharp moves may be taken as samples of future market patterns under 100% margins. Last week's reaction was evidently initiated by a chilling of inflationary sentiment and by worry over the threatened tossing of new bureaucratic monkey-wrenches into our economic machinery. The inflation fire is not out, however; in fact, the new wage-price policy is serving as a forced draft under the inflation boilers. The long-term of stock values is definitely upward.

* * *

New Highs and Lows

During the week ended Feb. 25 there were 42 new highs recorded among the "general" stocks traded on Canadian stock exchanges and five new lows. In the mining group there were 11 new highs and 12 new lows. No new highs and no new lows recorded by the oil stocks.

GENERAL

New Highs—1945-46

Br. Am. Bk. Notes	Freiman pref.
Can. Bread pref.	Gatineau Pr. 5% p.
Can. Iron	Grand & Toy
Do., pref.	Gr. W. Saddlery p.
Can. Packers B	Huron & Erie
Can. Permanent	Do., 20% pd.
Can. W. Cable	Int. Bronze pref.
Can. Cottons	Int. Metal Ind.
Can. Food Prod. A	Loblaw A
Can. Indust. B	Montreal Cot. pref.
Can. Vickers	Purity Flour pref.
Do., pref.	River S. Mills B
Capital Estates	Russell Ind.
Coast Brew.	Sarnia Bridge, new
Coll. Terminal	Scythes pref.
Consumers Gas	Shawinigan Pwr.
Consumers' Glass	Silknit, new pref.
Corr. P. Box	Standard Clay
Davis Leather pf.	Thrift Stores
Dom. Glass	West. Grocers
Dom. Textile pf.	Zellers 5%

New Lows—1945-46

Brant. Cordage pf.	Can. Iron, pref.
Can. Cycle pref.	East. Steel, new
	Std. Chemical Rts.

MINING

New Highs—1945-46

American Y.K.	Coniaurum
Athona	Crestaurum
Beaulieu Y.K.	Crowshore
Cariboo	Diversified Min.
Central Man.	North Inca
	Proprietary

New Lows—1945-46

American Y.K.	Calder Bous.
Anglo-Rouyn	Colomac
Bagamac	Elderidge
Beatrice	Fontana
Beaucourt	Indian Lake
Bidgood Kirk.	New Louvre

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MONTREAL

Balance Sheet—December 31, 1945

ASSETS		LIABILITIES	
Cash	$ 103,399.99	Unearned Premium Reserve (Legal Standard)	$ 319,172.63
Investment Securities at Market Values allowed by the Department of Insurance	1,672,454.00	Losses under adjustment	31,911.00
		Reinsurers' Deposits	125,513.55
		Due to Reinsurance Companies	36,334.09
		Due to Ceding Companies	3,812.08
		Accrued Taxes	18,672.97
Accrued Interest	9,187.44		535,416.32
		Contingent Reserve	205,000.00
Due from Agents	117,767.05	Capital Stock: Authorized and fully paid: 5,000 shares $100 par value	500,000.00
Due from Ceding Companies	803.86	Surplus	663,196.02
	$1,903,612.34		$1,903,612.34

J. A. BLONDEAU, President and Managing Director.
Hon. Senator DONAT RAYMOND, Vice-President.

WHAT'S NEW IN BUSINESS

TUCKETT APPOINTMENT

W. H. BUDDEN

who has been appointed assistant to the President of the Tuckett Tobacco Company, Limited, Hamilton, Ont.

DDT in Wallpaper

is designed by United Wallpaper Inc., Chicago, for use in clothes closets; claimed to mean death for moths and other insects, guaranteed harmless to humans and domestic animals. Made narrower than standard wallpaper to facilitate application in confined closet space, the DDT paper is to be sold in sealed packages containing 48 ft. by 15 in. Price will be $2.98 a roll in the U. S. when it goes on sale April 1. Canadian representatives expect the new product here in a month or two, at roughly the U. S. price plus exchange.

* * *

Helicopter Taxis

capable of carrying 10 passengers and express in short-haul service are reported well into development in the United States. F. N. Piasecki, president of P-V Engineering Forum, Sharon Hill, Pa., estimates they may be available within nine months. A $1 fare for the eight-minute hop from Southwest Airport to downtown Philadelphia is suggested. It is understood the nearest Canadian counterpart is an experimental, three-passenger helicopter, still untried.

* * *

Wheel-type Tractors

are being produced for the first time by Caterpillar Tractor Co., Chicago. The company has developed five sizes with wheels, plus scraper and bulldozer equipment. Currently held up by strikes, all lines will be available in Canada as soon as production is resumed.

* * *

A New Name

has been given the Stevenson & Kellogg Montreal subsidiary, Integrated Industries Ltd., dissolved two years ago. Under the name of Manufacturing Industries Ltd. the company is doing redesigning and manufacturing for Commonwealth Industrial Enterprises Ltd., Toronto invention development firm. Commonwealth (see The Financial Post, Feb. 16) is the Canadian subsidiary of Bing Crosby's Research Foundation of Hollywood, Calif. Another new company, Associated Export & Trading Co., Montreal, is handling distribution for Commonwealth.

* * *

Packaging Show

sponsored by the American Management Association is slated for Atlantic City, N.J., Public Auditorium April 2 to 5. Advertised as the biggest of its kind ever staged, the exposition is to be held in conjunction with a national conference on packaging, packing and shipping.

Manufacturers of products that are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respects it is new, and indicate its significance to its field.

* * *

Greater Durability

is lent cheap plaster casts and cardboard items by impregnation with a new synthetic resin, Plastiglaze. Produced by Durorite Plastic Industries, Culver City, Calif., Plastiglaze also claims to render porous articles resistant to water and acid, and to give them a glossy, enamel-like finish.

* * *

"Tite-Wite"

a new opaque, white, cover coat porcelain enamel frit—a ground glass preparation for application to steel to produce a glossy, acid-weather-stain-resisting white finish—has been developed by O. Hommel Co., Pittsburgh. Because it can be applied in a very thin coating the new finish is said to be practically chipless, and can be used in many places where thicker porcelain enamels are not practicable.

* * *

Sky Refrigeration

is being tested as an aid to transporting meat in Australia. RAAF Transport Command pilots are co-operating with Brisbane butchers to discover whether high altitude temperatures—12,000 to 15,000 feet—can successfully preserve meat in transit.

* * *

Flying Showroom

in a converted Douglas DC-3 cargoliner is scheduled to carry displays of 28 U. S. manufacturers to potential Latin-American customers about April 1. Brainchild of O. Roy Chalk, president, Trans-Caribbean, Air Cargo Lines Inc., the flying showroom is to be operated by a subsidiary, Trans-Caribbean Air Cargo Products Inc. First flight calls for landings and shows at 16 points, covering 17,000 air miles, in 35 days. Eventual plan contemplates regular quarterly flight-shows to points where Trans-Caribbean agents are established to handle advertising, show arrangements, orders. Among noncompeting firms represented on the first show-plane are Coro Costume Jewellery, Emerson Radios, Kayser Hosiery, Bryar Pipes, Freeport Stainless Steel Cooking Utensils.

* * *

"Privacy Preferred"

is the verdict of the British travelling public expressed in a recent British railways survey, on the question of compartment or corridor-type cars. Seventeen thousand replies added up to a marked preference for compartment cars with deep, wide windows, individually controlled lights, improved ventilation, heating, and lavatory arrangements. Opinion was divided on public address equipment for announcing stops, separate dining compartments for men and women passengers, design of seats, headrests, footrests, and accommodation for mothers with children.

* * *

Liquid Spring

developed in Britain by Dowty Equipment, Cheltenham, under wartime secrecy, now refutes the theory that liquids are incompressible. First used in the landing gear of the Halifax bomber, the liquid spring stood up under rigorous test conditions and has since been fitted to many other aircraft including the Bristol Wayfarer, Freighter, and Avro Tudor. Light mineral oils used in the spring can be compressed by 20% under 60,000 lb. per sq. in. pressure, while the unit itself can withstand pressures up to 100,000 lb. per sq. in. Liquid in a pressure-sealed cylinder, containing a piston with attached valve mechanism, is the basis. Critical point of the spring is a high-pressure gland through which the piston rod emerges. Any possible "leak" will be into the cylinder, rather than out.

* * *

Film Processing

is reported the chief impediment to wide distribution of Ansco full-color roll film for amateur photographers in Canada. Due to go on sale in the U. S. March 1, Ansco of Canada Ltd. say it will not be available here "until adequate finishing facilities are established." A U. S. survey estimates that 35% of all roll film used will be color-type by 1950.

WILLIAM H. COATES

has been appointed a director of Canadian Industries, Ltd. During the war he was a temporary financial advisor to the high commissioner for the United Kingdom.

Penn Controls Ltd. Starts Production

Penn Controls Ltd. is now in production on the "Penn" line of automatic controls for heating, refrigeration, air conditioning, pump and air compressor industries at the King St. W. plant, Toronto. Before formation of the company under Dominion charter last January, Penn controls were manufactured by the Penn division of Powerlite Devices Ltd.

General manager of Penn Controls is Arthur H. Hills, heating and ventilating engineer and M. B. Hastings of Powerlite Devices Ltd. is a director. The company is now employing 16 persons. Present factory space will not permit much greater expansion, but the company hopes to erect its own factory building later.

Excursions Off Till All Troops Are Repatriated

MONTREAL (Staff)—Restrictions on reduced railway fares end March 15, but special excursion rates are unlikely for some time to come. Every available piece of rail equipment is now being utilized to the maximum, and will be for months, transportation officials report. Peacetime excursion rates were usually given to utilize idle equipment.

A large percentage of rail equipment, it is pointed out, is still requisitioned by the government, to handle returning troops. Later this year, when the repatriation program is more nearly completed, and motor travel increases, the question of reduced fares may be reviewed.

War Plant at Weston Now Fruehauf Home

Fruehauf Trailer Co. of Canada has started production on truck-trailers at the recently purchased Massey-Harris plant at Weston, Ont. Fruehauf plans to make this the biggest truck-trailer plant in Canada and is consolidating its manufacturing facilities from three other plants at Weston, where the head office is now located. Many parts for trailer manufacture, particularly sheet metal, which were formerly imported will be made at the new plant. The new plant will employ 300 persons when full production is under way.

Other plants on Sterling Rd., Wabash, Mercer Avenues in Toronto will be turned into sales and service branches where complete chassis body and repaint work will be done.

Main building at the new Weston plant contains 58,000 sq. ft. all on one level and two smaller buildings cover an area of 12,000 and 13,000 sq. ft. respectively, all standing on a seven-acre site.

Quick Action!

Your executor must be always prepared to take quick action to avoid the losses that can so easily occur in the administration of an estate. A private executor usually hasn't the knowledge or the facilities for taking quick action.

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Law for Laymen

Herewith The Financial Post gives readers an analysis of legal decisions and rulings that may affect you or your business. It is emphasized that the brief legal notes below are designed to serve as hints and warnings only. Consultation with your solicitor is advisable when any of these problems arise in your affairs.

(Copyright)

YOUR NEIGHBOR'S CAT may be a pest—of course, your own never would be—but that doesn't give you a right to shoot, poison or otherwise injure it. Under criminal law, you have certain prescribed privileges of protecting your pets and other belongings from damage by other animals; but these privileges are strictly limited.

* * *

DON'T TRY to revise your will by writing in alterations after it has been drafted and signed. It is necessary to have a new will drawn, or a codicil made up.

* * *

DEATH OF A SINGER, musician or other artist, terminates any contract you may have held, covering his or her services. You cannot claim damages from the estate, under such circumstances; death excuses the performance of services which are personal to the individual.

* * *

IF BUYING or starting a business, don't assume that you can operate it during any hours you choose. Many lines of business are subject to early closing by-laws; check with municipal authorities, to see if yours is.

* * *

PUNCTUALITY in mortgage payments is important, particularly in these days of housing shortage. In most cases, the mortgage on your property falls due in full, if you default on a payment.

* * *

THE DISTINCTION between bonds and stocks, may be generally defined as follows: When buying bonds, you are lending money to the company; when buying stock, you are becoming a part owner of the company.

* * *

BEWARE THE STRANGER who offers you a job on condition that you post a cash bond. Very often this is a swindle. The average person can obtain a surety bond from a bonding company. A few reputable business lines require cash bonds, as more suitable to their needs; but these are exceptional cases.

* * *

A "DYING GIFT" is not validly binding unless the giver (a) firmly believes that he is about to die; and, (b) delivers the gift by actually handing it over or similarly parting with it. Also, such a gift is not binding if the donor recovers from the injury or illness which prompted the gift.

* * *

DON'T BE FLATTERED or swept off your feet by a questionnaire, on imposing letterhead, asking as to your personal credit or financial standing. Sometimes this method is used to obtain information which may be used against you later.

* * *

TWO WRONGS sometimes make a right, in divorce cases. An applicant for divorce must come into court "with clean hands"—that is, without having, himself or herself, been guilty of misconduct. The court, at its discretion, however, may waive this rule in specific cases.

Mount Royal Hotel Will Be Renovated

MONTREAL (Staff) — Tenders have been asked on a three-year program of renovation of the Mount Royal Hotel, Vernon G. Cardy, president, revealed at the company's annual meeting. Bearing in mind past cycles of prosperity and depression, the company decided on renovation rather than expansion, it was stated. The hotel is to be "almost entirely transformed."

Mr. Cardy anticipated easing in the present overcrowded hotel situation, due to resumption of pullman travel, return of salesmen to auto travel and other factors, but anticipated "highly satisfactory patronage" for at least two years.

CANADIAN CAR & FOUNDRY CO. stockholders at a special meeting approved by-law changes permitting creation of new "A" stock and redemption of the old preferred stock. Victor Drury, president, stated that as result of the change the charges ahead of the common stock will be reduced by approximately 65 cents per common share. Moreover the surplus as at end of 1941, which was "frozen" so long as any old preferred shares were outstanding, is now "free" surplus that may be used in payment of dividends if desired.

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M-1

East Sullivan Arranges Financing For a 5,000-ton Production Plant

Major new financing designed to place a further $3.5 millions in the company's treasury was announced by East Sullivan Mines this week. The company's production program contemplates facilities for an output of 5,000 tons daily.

The company already has over $500,000 in its treasury so the financing as arranged is expected to provide amply for the production program envisaged above, it is stated.

Canadian and U.S. mining interests with a record of creating a number of successful producing mines have entered into an agreement for a firm commitment to provide $1.5 millions, with a further $2 millions to be provided by options, if exercised. The new financing is subject to shareholders' approval of an increase in authorized capital from three to four million shares at a special meeting on Mar. 12, and issuance of supplementary letters patent covering this increase.

Under the $1.5 millions firm commitment, 100,000 shares are to be taken up immediately at $3 a share with a further 50,000 shares to be taken up at $3 a share each month starting in April until 500,000 have been purchased at $3 a share. After 14 months, 100,000 further shares are to be taken up monthly at $4 a share until 500,000 have been taken up under option at $4 a share, to provide the further $2 millions of financing.

Engineers Confirm Estimates

An eminent firm of consulting engineers checked the results reported by the management. The engineers' report confirmed results previously announced of 10,000 tons of ore a vertical foot, also confirmed ore grades. A mill of 5,000 tons daily capacity was recommended, along with a shaft of six compartments. It was further recommended that immediate steps be taken to place the property in production. The report also confirmed the management's opinion concerning possibility of finding further ore. It is reported that on the basis of 5,000 tons a day, a profit of $1.50 a ton, after taxes, could be anticipated.

The East Sullivan board of directors has appointed an advisory operating committee to expedite development and construction, in order to attain production as quickly as possible. Plans adopted include: (a) completion of further buildings and shops: (b) excavation of a master production-service shaft and thorough lateral development of the main ore body to a depth of 500 ft.; (c) erection of a treatment plant designed with an objective of 5,000 tons per day.

This work is to be entrusted to a staff of technicians fully versed in mining production and treatment of copper ores and is to be under the direction of the operating committee, two of whose members are outstanding engineers.

Extensive drilling has not only indicated 10,000 tons of ore to the vertical foot but has shown persistence of the ore zone to a vertical depth of more than 1,100 ft.—the limit of drilling equipment. Drilling is to be continued to close the 300-ft. gap between the east and west sections of the ore body which, it is expected, will add substantially to tonnage of ore already outlined. A fault or fold is believed to come between the two parts of the ore body but it is thought further investigation may uncover ore in a large part of the interval between.

A drill is to be put on outside exploration to test other anomalies known to exist on the company's property, a large part of which has never been explored by the drill.

Negotiations are now on to provide for disposal of the metal output of the company. Complete metallurgical tests on the ore will be made both in Canada and the United States, to assure a satisfactory process. A bunkhouse and cookhouse are being built and shaft will be sunk as soon as possible.

D. C. CARLISLE

has been appointed treasurer of the Goodyear Tire and Rubber Co. of Canada.

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Quemont Finds Rich Ore South of West Anomaly

One Hole Returns Better Than 9% Copper as Sector to Southeast of West Anomaly Assumes Greater Importance in Latest Drilling

Four new vertical surface holes have been completed in ore along with two further holes from the 215-ft. level, Quemont Mining Corp. announces, reporting progress since Feb. 14.

Two of the latest surface holes appear of particular importance as indicating above-average grade ore in the area immediately south and east of the main west anomaly.

Vertical hole No. 69, drilled from the ice, returned 105 ft. starting at 190 ft. averaging 0.236 oz. gold, 1.53 oz. silver, 0.69% copper and 5.58% zinc. A further section of massive sulphides was cut from 398 to 455 ft. while from 455 to 512 ft. consisted of mineralized chlorite. Assays for these latter sections have not yet been received. Hole No. 71, 100 ft. to the north and 300 ft. to the east, had a high-grade copper intersection. A length of 79.5 ft. starting at 152.5 ft. averaged 0.137 oz. gold, 2.16 oz. silver, 9.80% copper and 3.90% zinc. A few assays are still to come on this hole.

East Anomaly Holes in Ore

Surface drill hole No. 70, close to the northern limits of the east anomaly, returned 76.5 ft. averaging 0.291 oz. gold, 1.41 oz. silver 0.71% copper and 7.29% zinc starting at 256 ft. depth. Further assays are to come from this hole also.

A hole 200 ft. to the west and 100 ft. to the south gave a length of 75 ft. averaging 0.115 oz. gold, 0.79 oz. silver, 0.88% copper and 3.33% zinc. Surface hole No. 62, previously reported, did not cut anything of commercial importance while hole No. 65 did not return any further ore intersection. No. 72 hole in the east anomaly area has just entered rock.

In drilling from the 215-ft. level, hole No. 216 drilled north and down at 45 degrees passed above the ore body and ended at 285 ft. in diabase. No. 217 hole, near the middle of the east boundary of the west anomaly was drilled due east and down 30 degrees from the 215-ft. level. It returned 200.5 ft. of core averaging 0.133 oz. gold, 1.29 oz. silver, 0.52% copper and 5.69% zinc.

Hole No. 220 near the south westerly extremity of the west anomaly and drilled vertically, intersected massive sulphides from 135 to 246 ft. From 135 to 177 ft., a length of 42 ft., averaged 0.103 oz. gold, 1.07 oz. silver, 0.57% copper and 3.29% zinc. A further length of 14 ft. averaged 0.201 oz. gold, 1.57 oz. silver, 0.75% copper and 1.53% zinc. A few assays are yet to come. Holes 218 and 219 from the 215-ft. level are now drilling.

No further details are available on results of exploration on the 900-ft. horizon.

OIL PRODUCTION

Imperial Expands Its Gas May Use It For Gasoline

From Our Own Correspondent

CALGARY—Imperial Oil, since completion of its Kinsella No. 1 discovery gaswell two months ago, has proved up as a big natural gas reserve some 60,000 acres of its leased and reserved rights on the central Alberta plains. Last week the company completed two more tests, boosting total to six in two months. Last week boosted the successes to five, and brought in the first failure. Last week the company staked its ninth location, and prepared to drill its seventh and eighth ventures.

Presumed purpose of the program is to establish a large enough gas reserve to warrant construction of a multi-million dollar plant for synthesis of gasoline and other products from dry gas.

To date, five widely separated tests embracing two and a half townships have been successfully completed. Now starting are: Imperial Kinsella No. 8, a township east of the Viking field, a township north of the Kinsella field, and two townships west of the "East Kinsella" field so far established by Imperial's program; and Imperial-Kinsella No. 9, a township south of the East Kinsella field newly proved.

* * *

Plains' Largest Reserve

Success to date of the Imperial program, and the prospect of a great new industry for Alberta springing from it, serve to further focus interest on the proved and potential gas reserves of the province. Imperial's gas exploration program is being carried out in what is generally regarded as the largest reserve so far indicated on the plains. In this area, production is from the Viking sand, found 100 to 150 ft. above the base of the Colorado formation, at depths from 1,900 to 2,375 ft.

Three townships east of the Imperial program, in the South Vermilion-Battleview area, where the Viking sand is absent, large gas flows were found at test wells in the Battleview and Lloydminster sands of the Lower Cretaceous (V.C.O. No. 1 indicating a potential of 42 million cu. ft. and V.C.O. No. 4 a potential of 76 million cu. ft.). Depths are comparable to the Kinsella area gas sand.

About 160 miles south of Kinsella, is the Princess-Steveville-Denhart area, regarded as the largest untapped gas reserve so far indicated on the southern plains of Alberta. Widely spaced wells in this area have found gas in substantial volume in one or more formations from the Bow Island sand (around 2,600 ft.) to the Devonian (around 4,000 ft.). About 60 miles southeast of Princess is the large Medicine-Hat-Redcliff gasfield. Source here is the Medicine Hat sand in the Upper Colorado, found at depths from 925 to 1,225 ft. These areas, with Viking-Kinsella, are the largest Alberta plains gas reserves so far established or indicated. Scattered over the Plains, however, are numerous other smaller gasfields or individual gaswells—in total, indicative of the great possibilities for proving of many large gas reserves on the plains section of the province.

* * *

"Gasoline From Gas"

Plants for the manufacture of gasoline from natural gas may be built in Alberta, as the result of success achieved in the United States with such a process at a cost comparable of gasoline from crude oil, Hon. N. E. Tanner, Minister of Lands and Mines, told the Alberta Legislature last week end.

"Natural gas may well prove of greater importance than crude oil," the minister said.

In a review of gas and oil exploration work in Alberta, Mr. Tanner said 13 reservations totalling 1,270,000 acres already have been taken up this year. Applications are still pending on another 1.5 million acres, he said.

Last year saw the greatest exploratory work in history, the minister announced, with 64 reservations granted totalling 4.5 million acres. Oil companies spent $1 million a month on exploration work, but results were "not encouraging."

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CARL ERICKSON and ASSOCIATES

CONSULTING MINING ENGINEERS

TORONTO — 53 Yonge Street — ELgin 7781

AMOS, Que. — Box — 248 — Telephone 474

Carl Erickson A. C. Mitchell Allan W. Murray

We offer the shares of

SKILLCRAFT METAL PRODUCTS LIMITED

(Incorporated under the Laws of the Province of Ontario)

5½% Cumulative Redeemable Preference Shares

Par Value—$100.00 Per Share

These Preference Shares are to be fully paid up and non-assessable, preferred as to Principal and Dividends, and accumulate preferential dividends at the rate of 5½% per annum, payable semi-annually on the first day of January and the first day of July, commencing on the first day of July, A.D 1946. No dividends will be paid on the Common Shares of the Company until all accumulated and current semi-annual dividends on the Preferred Shares have been paid or provided for. The Preferred Shares will be subject to redemption in part or in full at a price of $105.00 per share, plus accumulated dividends, on any dividend date that may be fixed by the Directors of the Company. The Company reserves the right to purchase its Preferred Shares when offered in the open market.

Demand for the type of Hardware being produced by SKILLCRAFT METAL PRODUCTS is large and very steady in normal times, and it is believed by the management of the Company that the tremendous building program of Governments and Private Enterprise through the next few years—required to liquidate the back-log of the past six years of limitations of repairing and renovation work, plus the need for new housing throughout the Dominion and the world generally—gives the Company an extremely substantial outlook for volume of business and profits. The plans now agreed upon, it is believed, will assure large volume in many profitable items, with consequent benefit to the Company shareholders.

Complete information will be furnished on request.

We offer the 5½% Cumulative Redeemable Preference Shares of this Company at

PRICE: $100.00 per Share

Each Share of the Preference Stock carries a bonus of 15 shares of the Common Stock — par value $1.00.

The right is reserved to reject any application or to allot a smaller number of shares to any applicant than the number applied for.

A. G. WHITE & COMPANY

BROKERS

371 BAY ST., TORONTO 1, ONTARIO

TELEPHONE: ELGIN 6354

Silanco Mining & Refining

Co. Limited

BOUGHT — SOLD — QUOTED

Information upon request

HAROLD A. PRESCOTT & CO.

(Successors to Colling & Colling)

Members

The Toronto Stock Exchange

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330 Bay Street TORONTO WA. 4831

MINING INVESTMENTS

Mining Issues Go Down But Hold Relatively Well

While Canadian mining stocks experienced their sharpest decline in many months this week, the mining market as a whole recorded a much less marked downtrend than the New York Stock Exchange, where the decline reached very severe proportions.

The greater underlying strength exhibited by the Canadian market in the early part of the slide was all the more noteworthy because of the past upswing in many Canadian mining issues and the fact that the Canadian mining market is still not on the 100% cash basis in effect on the New York Stock Exchange.

Volume of trading increased on the downside in New York, suggestive of a possible further sell-off, but volume of trading tended to remain about the same in Toronto mining shares as prices moved lower. Market commentators believe a considerable further decline can occur on the New York Stock Exchange before the downswing would be considered greater than "normal" so that there is not the general feeling as yet that a prolonged market downswing is in the making.

* * *

Go After Housing Shortage

Canadian mining companies are planning to do something about the housing shortage, reports indicate. Val d'Or reports that 200 houses are likely to be erected to help solve the manpower shortage at the Lamaque, Sigma and Golden Manitou mines. Sigma is moving the bunkhouse from the Indian Molybdenum mine (now closed down) to its own property. In the Noranda-Rouyn area, Noranda Mines is also reported moving in a bunkhouse. Another leading operator, which expects to expand its personnel, has made enquiries for prefabricated housing.

The housing shortage is not confined to fields where new finds have expanded employment. Kirkland Lake and Porcupine both have a shortage which may be further aggravated.

MINING CONCENTRATES

ABBOT RED LAKE MINES has been incorporated to consolidate a group of 18 claims in southwesterly corner of Ranger twp., Red Lake area, Ont. Partanen Malartic Gold Mines, vendor, receives 475,000 shares and option on additional 75,000 shares of the one million vendor interest. Partanen also holds an option on remaining two million treasury shares.

* * *

ADELE MALARTIC MINES has let a contract for 5,000 ft. of diamond drilling for its property adjoining Vinray Malartic on west. Crew and equipment will move in immediately camp building are completed.

* * *

COURAGEOUS GOLD MINES reports abandoning hole D-9 and completing F-4 with unimportant values. Hole F-5 is continuing cross-sectioning to cut projection of a sulphide zone crossing property east to west. Hole D-10, spotted 300 ft. east of D-4 and 500 ft. south of north boundary, is being drilled north at a 50 deg. angle.

* * *

CHESKIRK MINES reports hole No. 9 cutting extension of 31-ft. mineralized, gold-bearing rhyolite encountered by hole No. 7, 200 ft. to west, as well as intersecting several other large sections of similar character. A third drill is being added to speed up work.

* * *

GOTHIC GOLD MINES has uncovered a mineralized structure 60 ft. wide on its Duverny twp. property. Stripping and trenching are being continued.

* * *

PINNACLE GOLD MINES has let a contract for 5,000 ft. of diamond drilling to Larocque Diamond Drilling Co. for its Vaughan property. Options on 70,000 shares at 12½ cents and 125,667 shares at 15 cents have been taken up ahead of due date, placing an additional $27,625 in company's treasury to cover costs of drilling on Pinnacle and Vaughan properties.

* * *

NORTHLAND MINES (1940) advises that Feb. 15 option on 100,000 shares at 14 cents, has not been exercised.

* * *

NEW LOUVRE GOLD MINES reports two drills working property in Louvicourt twp., Que. Initial hole is beyond 300 ft. on way to objective of 600 ft.

* * *

ORENDA GOLD MINES has extended balance of option on 400,000 shares at 40 cents to E. H. Pooler until April 1.

* * *

PLEXORE ROUYN GOLD MINES says five drill holes have been completed on property in Noranda-Rouyn area, Que. In holes Nos. 1 to 4, inclusive, numerous quartz veins were intersected, some containing low gold values. Hole 5 was the fifth in a series to cross-section southern part of property. Hole No. 6 now at 300 ft., is continuing.

* * *

SURF INLET CONSOLIDATED GOLD MINES reports that President Wm. H. Hax is prepared to convert his option on 315,145 shares at 50 cents a share into a firm commitment. Mr. Hax previously purchased 12,000 shares at 50 cents.

* * *

WENDELL GOLD MINES says aerial photographs have revealed several new faults on property in Duverny twp., Que. Several holes will be put down to test the faults. Drilling of hole No. 9 is continuing with scattered pyrite mineralization being encountered at 538 ft. A 6-ft. dike of diorite was encountered at 624 ft.

* * *

YOUNG-SHANNON GOLD MINES has begun drilling its extensive holdings in Chester, Jerome and Rush Lake areas, Ont.

. . . *a*

389% INCREASE

in

Commercial Failures

. . . between 1919 and 1922. Will these losses return in 1946, '47 and '48? Yes, a return to normal business assures stiffer competition, and this in turn means higher credit losses.

To combat these future conditions Industrial Factors offers you a service which eliminates all credit losses. With this time-tested plan we pay you cash for your accounts receivable the day your goods leave the plant, thus absolving you of any credit risk.

With our purchase of your accounts receivable we assume full responsibility for all necessary bookkeeping and collections. And, you may rest assured that your accounts will be handled with all the tact and good taste that you would apply to them yourself.

We would like the opportunity of showing you just how Factoring can be advantageously applied to your business. An inquiry will entail no obligation.

Industrial Factors Corporation

Limited

423 Mayor Street, Montreal

Subsidiary of Industrial Acceptance Corporation with resources in excess of $5,000,000

46-8

Intelligent Employment of "RISK CAPITAL"

In the risk capital field a sponsor cannot guarantee final success because "risk" implies the encountering of factors which cannot be accurately forecast. Without the risk element there would be no special opportunity as the reward of success.

The Red Lake companies sponsored by this firm as listed here are well financed and ably managed. Their properties are in various stages of exploration and development and their stock provides excellent opportunities for capital appreciation.

★ **CAMPBELL RED LAKE** MINES LIMITED (See Note Below)

DICKENSON RED LAKE MINES LIMITED — Cash Placed in Treasury $602,505.00

BREWIS RED LAKE MINES LIMITED — Cash Placed in Treasury $217,505.00

DETTA RED LAKE MINES LIMITED — Cash Placed in Treasury $237,505.00

MACFIE RED LAKE MINES LIMITED — Cash Placed in Treasury $384,999.25

CLICKER RED LAKE MINES LIMITED — Cash Placed in Treasury .... $ 95,005.00

DORION RED LAKE MINES LIMITED — Cash Placed in Treasury .... $ 90,005.00

LAKE ROWAN (1945) MINES LIMITED — Cash Placed in Treasury $145,005.00

* $75,000.00 placed in the Treasury of this Company before Dome Mines Limited acquired management-control.

"ONE GOOD INVESTMENT WORTH A LIFETIME OF LABOUR"

BREWIS & WHITE

200 BAY STREET, TORONTO, ONTARIO TELEPHONE: EL. 7225

J. M. BREWIS A. W. WHITE JR.

Sole Proprietors

McIntyre Shows Improved Earnings Development Crew Boosted 20-25%

By GORDON M. GRANT

With 11 months of its fiscal year completed, McIntyre Porcupine Mines can be expected to show greater earnings this year than the $2.95 a share of the year ended Mar. 31, 1945, but a little less than the year's dividend distribution of $3.33 a share, The Financial Post is informed.

Earnings for nine months of the fiscal year were $2.27 a share and a repetition of the third quarter's 80 cents a share would give a net of $3.07 a share for the year.

Greatest improvement in the position of McIntyre has not been in earnings but in the field of development activities which is important to the company's long-term welfare. Expansion in the underground development crew has been 20-25% and further men are being taken on "just as fast as we can place them," it is reported.

A lot of rehabilitation of stopes is required before a full crew can be built up, and it will be some months yet before production is back to normal. Production this quarter has been running about the same as in the previous quarter when gross income of $1,944,014 was reported.

Ore Position Strong

When the annual report appears McIntyre will be found in its usual strong forward ore position. It is noteworthy that increases in tonnage of ore in reserve were shown in all except two war years and at Mar. 31, 1945, 4,444,117 tons of ore were in reserve averaging $10.95 (at $35 gold) against 3,998,336 tons averaging $11.12 as at Mar. 31, 1939. Increase in tonnage of reserve ore was achieved by concentrating the greatly restricted development crew on opening readily available extensions of known ore bodies.

As much of new ore was opened in the fringes of known ore bodies, it was inclined to be a little lower in grade than ore previously opened. Thus the fact that average grade of ore shown in reserve is a little lower, does not mean that McIntyre is running into an era where average grade of ore opened will continue to be lower.

McIntyre is now getting back to the job of putting out long crosscuts and drives to open less-accessible portions of ore bodies and resuming "venturesome exploration" in search for new bodies. Mining companies curtailed exploratory development during the war, and often had a marked, if temporary, recession in ore reserves. McIntyre's achievement in boosting tonnage of ore in reserve during the war years marks an unusual achievement.

Development plans include deepening of the inside shaft to a depth of 7,000 and exploration of the porphyries at depth. Actual sinking has not yet begun, as preparatory work is still being completed.

Outside investments are doing as well as ever for McIntyre, the investment portfolio at the end of the last fiscal year comprising:

	Par Value $
Dom. of Can. bonds	4,975,000
C.N.R. bonds	1,075,000
G.T.P. Rly. bonds, £69,200	336,312
Ont. Hydro bonds	3,435,000
T. & N. O. Railway bonds	35,000
U. S. Treas. cert. (USF)	221,000
U. S. Treas. notes (USF)	3,200
	No. shares
Amerada Corp.	24,500
American Metal Co.	10,000
American Tel. & Tel.	5,000
Bell Telephone Co.	10,000
Castle Trethewey	1,081,422
Consol. Natural Gas	3,793
General Electric Co.	13,000
Inter. Nickel Co., com.	98,050
Inter. Nickel Co., pref.	500
International Petroleum	10,000
Standard Oil of California	15,000
Standard Oil of New Jersey	37,930
Belleterre (Quebec) Mines	1,350,000
Blue Diamond Coal Co.	7,496
McIntyre Research Limited	1,018

An initial dividend of 10 cents a share was paid by Belleterre Quebec Mines last September which provided McIntyre with an extra $135,000 or approximately 17 cents a McIntyre share. Belleterre earned 28 cents a share, the latest fiscal years, and ore reserves are five years' supply.

McIntyre owns 1,081,422 shares, or 39.9% of the outstanding capital of Castle Trethewey Mines which has been of considerable interest with the higher price of silver recently. Castle possesses one of the few remaining silver ore reserves in northern Ontario. No decision has been made as yet to re-open the Castle Trethewey property, although it is believed a profit could be realized with the present price of silver. The management is now giving consideration to reopening.

From a financial standpoint, McIntyre continues unique among Canadian gold mining companies. At Mar. 31, 1945, working capital was $21.1 millions taking securities of $25.5 millions — or $32 a share—including securities at market value. Aside from stocks, the company has $10 millions in government securities which probably show a fairly substantial appreciation with the advance in the market for high grades recently.

McIntyre was one of the few Canadian gold mining companies able to maintain its dividends ($3.33 a share) during the war years. The company enjoys a substantial "surplus," from the standpoint of the Foreign Exchange Control Board, for continuation of this dividend, even should it not be entirely covered by future earnings. Sources close to the company state the dividend is assured for a year ahead, and are "very hopeful" it can be maintained beyond that time.

Thorn Hill Plans To Sink a Shaft

Sinking of a vertical shaft to a depth of 400 ft. as recommended by the company's engineers will be proceeded with by Thorn Hill Gold Mines, The Financial Post is informed.

F. E. Patton, resident manager, and P. J. Shannon, assistant resident engineer, report that drilling completed to date has indicated a gold-bearing zone with a length of 1,000 ft. and with a width up to 57 ft.

Distribution of gold, as indicated by drilling, has been erratic but the engineers feel that underground work may indicate a large lenticular ore body or several smaller ones. Included in values in the 17 holes which cut the zone have been 0.21 oz. over 5 ft. (No. 12); 0.22 oz. over 16.2 ft. (No. 25); 0.46 oz. over 1 foot (No. 33); and 0.18 oz. over 7.7 ft. in the recently completed No. 37 hole.

Plan Snow Lake as Model Town To House Up to 2,000 People

From Our Own Correspondent

WINNIPEG — The best-planned, best-housed, and best-equipped town in Manitoba for the work and recreation of those who will live in it is on the blueprints for Snow Lake, about 50 miles from Sherridon.

Today Snow Lake is a group of about 40 men living in bunk houses doing development work on a gold mine property owned by Howe Sound Exploration Co., New York. It is going ahead with projects which involve a million dollar expenditure or better and a power line is coming to the settlement from Sherridon. Once the mine gets going Snow Lake hopes it will be a community of about 2,000 people.

The Manitoba Department of Mines and Natural Resources, and the company, have joined in a cooperative venture in a "cradle-to-grave program" to put Snow Lake on the right road. They plan to:

1. Set up a local government district of wide radius, at least eight or 10 miles, to head off mushroom growth of a shack town on fringes of the main one.
2. Permit construction of buildings, only if authorized by an administrator responsible to the Minister of Municipal Affairs.
3. Make topographic surveys to determine physical layout of land and decide best location for town site. (Completed).
4. Once location of site is determined, zone it into industrial, commercial, and residential districts. (Completed).
5. Prepare plans of possible street layouts, and have engineers determine which one can be most easily, economically, and efficiently serviced.
6. Prepare subdivision survey of building lots. This will be started in the spring.
7. Determine, in consultation with the company, the size of the initial development for the residential and commercial areas.
8. Turn the town over to its own council, once it is strong enough.

As for the company itself the Local Government District Act provides it may either include or exclude its own property from the local government district. It may elect to exclude it under certain conditions. Expenditures will be required for public improvements, schools, and hospitals.

We Offer As Agents For the Owners and Subject to Prior Sale

400,000 Shares

LAKE-RIDGE MINES LIMITED

(NO PERSONAL LIABILITY)

Located in the Larder Lake Gold Area

CAPITAL ($1.00 par value) .... 3,000,000 shares
ISSUED for property and cash .... 1,501,000 shares (1,216,000 escrowed)

PRESIDENT: R. C. PAYNTER
VICE-PRESIDENT W. S. ROGERS
SEC.-TREASURER M. M. HARDY

DIRECTORS: R. C. PAYNTER, W. S. ROGERS, R. F. HARDY, RICHARD PAYNTER, E. B. THOMPSON. CONSULTING GEOLOGIST: DR. J. D. WRIGHT

PROPERTY:— The company holds 41 unpatented and 2 patented claims all in one block of approximately 1700 acres in Skead Township in the Larder Lake Mining Division of the Province of Ontario.

ACCESSIBILITY:— A good motor road from the Town of Englehart passes within half a mile of the property. A winter road runs from this road to the Lake-Ridge camps. In summer the property is readily accessible by boat via St. Anthony Lake.

EXPLORATION:— A program of surface exploration is at present being carried on by the company, designed to explore decidedly interesting structures chiefly on the southern section of this large property. The limited amount of work so far completed has given exceptional results in the location of ore-bearing veins, with grab sample assays ranging from $5.60 to $35.00.

Dr. J. D. Wright, the company's consulting geologist, has just returned from the property and is at present preparing a comprehensive report on developments to date, and his recommendations for future work.

FINANCES:— The company has consummated a financing agreement with mining interests which if carried to completion will assure the necessary funds to develop this interesting property.

25c Per Share

J. E. GRASETT & COMPANY

Members The Toronto Stock Exchange

J. E. GRASETT
J. W. WRAY
ROBERT E. JACKSON
C. P. GOLDSMITH

244 BAY STREET WA 4781 TORONTO 1

OSISKO LAKE MINES shareholders will meet March 5 to vote on a proposed increase in capital from two to three million shares and offering of rights to shareholders on a one-for-two basis. The offering would provide $787,878, while an underwriting on an additional 200,000 shares would provide $200,000. Development of Osisko Lake property either through shaft sinking, or a drift from the adjoining Noranda property, when men are available, is also being considered.

MINING CONCENTRATES

AUMAQUE GOLD MINES has commenced opening 250- and 500-ft. levels, as well as drilling flat holes through the ore zone from 250, 375 and 500-ft. level stations. No. 96 drill hole was completed at 752.5 ft. in eastern part of property, but no sulphide concentrations of ore grade were encountered. No. 97 is drilling from same set-up but in opposite direction.

* * *

BRAE-BREEST GOLD MINES reports election of P. J. McDonough to board as representative for a financing group. Mr. McDonough is arranging construction of camp buildings on the Quebec property. Company also holds 500,000 shares of Tyon Gold Mines and nine claims in McNeill twp., Porcupine area, Ont.

* * *

BAGAMAC MINES advises that Feb. 18 installment on 100,000 shares at 50 cents has not been exercised.

* * *

BRYHERN EXPLORATION, DEVELOPMENT & MINING reports letting contract for minimum of 5,000 ft. of drilling for properties of Sleeman Lake Mines and Andrew Yellowknife Mines. On Bryhern ground and Aurora Yellowknife and Belle Bry Yellowknife properties, surface work will start about April 15.

* * *

CORDELL GOLD MINES is planning to raise funds for initial exploration of its property in Beauchastel twp., Que. Negotiations are also under way for purchase of property in Ossian twp., Que. Officers: W. Wood, president; S. Hermant, vice-president; J. M. Gould, secretary-treasurer.

* * *

COLOMAC YELLOWKNIFE MINES reports hole 21 returning 100 ft. of core averaging $4.24 gold. Within the length there is a section of five feet running $8.48 with lower grade material between it and a 65-ft. section averaging $5.33. Within latter section 15 ft. averaged $13.98. Hole was drilled under No. 5 at 400 ft. greater depth.

* * *

CALDER - BOUSQUET GOLD MINES has resumed drilling, designed to extend high-grade vein showing on its 20 claims in Bousquet twp., Que. Approximately $100,000 was expended in previous work including shaft sinking and opening two levels.

* * *

EASTVIEW MINES plans a magnetometer survey for its 1,000 acres in Duverny twp., Que. Preliminary funds have been provided by Governor Gold Mines.

* * *

ELDER GOLD MINES reports shaft reaching 200-ft. depth where first station will be cut. The shaft is reported to have passed through a new occurrence at 150 ft. which appeared to be offshoot of one of known veins. A second and heavier compressor has been added to speed up sinking and drifting.

* * *

GOLDBANKS MINES plans a geophysical survey on its property in McIvor area, west Kirkland Lake, Ont.

* * *

HAY GOLD MINES reports negotiations under way for a heavy-duty drill to bore a series of holes on company's acreage along its boundary with Kerr-Addison. Present hole is collared 1,500 ft. north of Kerr boundary.

* * *

HALCROW SWAYZE MINING CO. reports extending option to Tricorn Trading Co. on 700,000 shares for four months. Next installment of $55,000 is exercisable April 30.

* * *

LEEMAC RED LAKE MINES has been incorporated to consolidate 12 claims in south central section of Bateman twp., Red Lake area, Ont., midway between East Bay and Walsh Lake. Surface exploration and development is to start soon. Initial working capital has been provided by Conwest Exploration who hold options on balance of treasury shares. Officers and directors: Col. Alan Cockeram, president; A. B. Mortimer, vice-president; C. F. G. Hill, treasurer; C. R. Elliott, secretary; Samuel Ciglen and W. H. Connell.

* * *

WEST MALARTIC MINES advises that Feb. 15 installment on 35,000 shares at 60 cents has not been exercised.

SILANCO MINING & REFINING COMPANY LTD. holds 29 silver and cobalt properties in the Cobalt Area . . . included are mines that produced almost ONE-THIRD of the 333 MILLION ounces of silver production that made Cobalt the most fabulously rich mining camp in America. . . . Silanco is profitably operating a 100-ton daily capacity mill on cobalt concentrates . . . it is building the LARGEST and MOST MODERN SMELTER of its type on the Continent . . . it is re-opening once famous silver-producing mines. With the new 78c price for silver, its widely expanded operations, its centralized control and management, SILANCO's operations hold exceptional promise for success. Earnings of approximately $1.00 ANNUALLY PER SHARE are stated by the Company's metallurgist and engineer as being a conservative estimate, when the expansions, immediately planned, become effective.

At Market Close Friday, Feb 15, SILANCO shares were $2.95 bid, $3.05 offered.

For the reasons here set forth, as Brokers and Commission Agents only, we will execute orders at the prevailing market at time of execution, for Shares of

Silanco Mining & Refining Company Limited [No Personal Liability]

SILANCO MINING & REFINING COMPANY LIMITED, operating a mill of 100-ton daily capacity as a producer of cobalt concentrates, owns a total of 29 silver-cobalt properties closely concentrated in the Cobalt area. Of these, 16 are developed mines with a total of 40 miles of underground workings that represent an outlay of many millions of dollars, made when Cobalt was the wealthiest silver mining camp in Canada.

These mines, in fact, produced a total of nearly *100 million ounces of silver*, and the companies then operating them paid close to *20 million dollars in dividends*. The price of silver, at that time, averaged around 67c an ounce. Later it fell off as low as 25c per ounce, and economic production became impossible. Recently, the United States set a new silver price equal to 78c per ounce in Canadian funds, reopening prospects for successful silver production in this prolific camp.

Milling Operations

As already stated, Silanco Mining & Refining Co. Ltd. is successfully operating a mill of 100-ton daily capacity, and already has concentrates to the value of $350,000.00 stock piled. Further concentrates, to be produced during construction of the smelting and refining plant, are estimated to provide a full year's supply ahead for the smelter. Smelting of its own concentrates will result in largely increased payment for their contents to the Company.

Developments under way at the Company's mines are expected to make available such tonnages of ore, in a short period of time, as to justify not only increasing the capacity of the present mill, but to make advisable construction of a second mill.

Mining Properties

Amongst the 29 mining groups held by Silanco are the famous former silver producers: McKinley-Darragh, Buffalo, Temiskaming, Beaver, Penn Canadian, Right of Way, City of Cobalt, Cobalt Townsite, Cobalt Lake, Colonial, Provincial, Savage, Nancy Helen, Curry Wettlaufer and Millwight Mines. Also included are the Agaunico and Ruethel Mines, which, together with the Beaver and Temiskaming, are currently supplying cobalt ore for the Company's mill. Several of those mentioned are being prepared for immediate operation.

Operations Centralized

The remarkable record of past profits and production set up by these various mines is emphasized in view of the economies and other advantages now envisaged through centralized operation by SILANCO. The present mill is centrally convenient to all these mining properties. In many cases, group of mines can be operated from one shaft. Engineering direction and management, for the entire enterprise is unified, with a mine office in the Town of Cobalt. Duplication of equipment and labor is avoided, with consequent savings. The site for the smelter was also chosen to take further advantage of the economy and efficiency of centralized operation.

Smelter Construction

The plans for the smelter, prepared by the Company's metallurgists, required one year to complete. It will be the most modern, with the greatest capacity, of any of its type on the continent. Here, the Company will treat its own concentrates, thereby recovering the maximum of payment for the component silver-cobalt-nickel-arsenic content. Marketing problems will be greatly simplified, as the Company's products will be in the finished state as used by industry.

The smelter's capacity will be 15 tons per day, and Mr. R. L. Peek, internationally-known metallurgist, estimates annual profits in excess of $750,000.00 *on a daily basis of 10 tons only*. In this estimate, possible profits from silver have *not* been taken into consideration at all, and the figures are based on the sale of cobalt and other products at considerably *below* the present market prices.

Prospective Earnings

Upon completion of the program of financing, we are advised that some 2,100,000 shares will be outstanding. Taking Mr. Peek's estimate, referred to above, and adding $200,000.00 estimated by Mr. H. Thomson Leslie, the Company's Managing Engineer, as being the additional value of recovery of the average silver content in the present concentrates, brings estimated earnings for a year close to ONE MILLION DOLLARS. Additional to that, Mr. Leslie estimates that the contemplated increase in mill capacity, and the processing of both silver and cobalt ores, should conservatively add ANOTHER MILLION DOLLARS to the earnings. This does not include the expectation of substantial additions to revenue from encountering high-grade deposits of silver, which has been the experience in working these mines in the past.

Informative Booklet — Sent Promptly Upon Request

TELEPHONE WAVERLEY 4831

Harold A. Prescott & Co.

HAROLD A. PRESCOTT, Sole Owner

Member Toronto Stock Exchange — Winnipeg Grain Exchange

330 BAY STREET, TORONTO 1, ONTARIO

The statements contained herein are not guaranteed by us, but we believe them to be fair and accurate; they have been obtained from sources which we believe to be reliable.

"WHAT A GAME!"

SAY OUR FRIENDS FROM THE U.S.

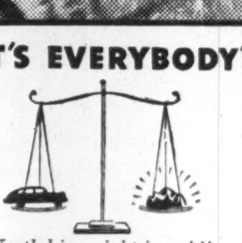
Hundreds every year come to Ontario to cheer their favourites. We can't always give them "blue-line seats," but let's be sure — in all our dealings with them — they get the best we have to offer. In short, let's see they have a swell time!

WHAT CAN I DO?

The answer is *plenty!* In the next column are some of the things anyone can do. The suggestions come from a well-known Ontario hotelman:

1. Know the places of interest and beauty spots in your district and tell people all about them.
2. When you write your friends in the States tell them about the places they would enjoy visiting.
3. Try to make any visitor glad he came.
4. Take time to give requested information fully and graciously.
5. In business dealings, remember Canada's reputation for courtesy and fairness depends on you.
6. To sum it up, follow the "Golden Rule."

IT'S EVERYBODY'S BUSINESS . . . *it's good business!*



Worth his weight in gold! The Province of Ontario profits to almost the same extent from the tourist business as it does from the gold mining industry. It is up to each one of us to see that it goes on growing.

This diagram, based on figures supplied by the Hotel Association, shows how everyone benefits from the Ontario tourist income. Every tourist dollar is shared this way . . . 1. Hotels; 2. Retail stores; 3. Restaurants; 4. Taxes, etc.; 5. Amusements; 6. Garages.

It works both ways! They treat us royally when we visit them . . . we can't do less than return the compliment. Remember that it costs money to take a holiday . . . so let's see they get a good return for every penny they spend.

"Let's make them want to come back!"

PLANNING A HOLIDAY? Tune in "Ontario Holiday" CFRB, 10:30 P.M., Thurs., Fri. and Sat., (after the Hockey Game)

Labatt's

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COMPANY, LIMITED

Listed on The Toronto Stock Exchange

Now drilling below 2,500 feet

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DUKEL GOLD MINES

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BERTON

GOLD MINES LIMITED (N.P.L.)

represents a consolidated group of 21 mineral claims extending for two miles along the strike of the proven vein system of the area, right at the head of Herbert Arm, West Coast of Vancouver Island, and a short distance south of the gold camp of Zeballos.

More than $125,000 has been spent and over 2,000 feet of underground work completed. Six major ore occurrences have been opened up, and many more surface showing warranting development have been disclosed.

$10,000 worth of gold ore was shipped to the smelter during the development period, with returns averaging well over $100 per ton.

ASSAYS

VEIN	WIDTH	VALUE
No. 1	3.0 feet	$25.51
No. 2	2.3 feet	27.71
No. 3	3.1 feet	64.69
No. 4	7.0 feet	14.63
No. 5	1.5 feet	93.53
No. 6	3.2 feet	34.11

These samples were all cut by B. W. W. McDougall, M.E., with assays run by J. R. Williams & Son. Values are based on gold at $38.50 per ounce.

These assays are indicative of values often encountered during exploration and development. They are not presented as a uniform average. Many samples of lower value have been assayed, but, on the other hand, values of $500 to $1,000 per ton, across 6 inches, have been encountered.

Camp buildings to accommodate 40 men have been provided; a one-mile road was built; service tramway installed; dock and warehouse constructed. A telephone line connects the lower and upper camps.

Recent drifting on the No. 6 Vein, in No. 1 tunnel, 200 feet below the surface outcrop, and from which $10,000 worth of 4-ounce gold ore was shipped, has encountered the apparent downward continuation of the rich ore shoot. First assays across a width of two feet returned values of .72 oz. gold to the ton. Conditions and width have steadily improved during the last 40 feet of work.

Work is proceeding on No. 5 Vein, in No. 2 tunnel, where the downward continuation of this rich vein is expected to be encountered at a depth of 250 feet on its dip. A recent trial shipment of high-grade from this orebody returned $165.96 per ton. Underground development is also in hand this month (February) on Nos. 3 and 4 veins, in No. 3 tunnel. In both these veins similar high-grade ore has been disclosed.

(The above information taken from reports of B. W. W. McDougall, M.E., dated February 8th, 1945, and from company records. (Signed) R. R. Walker, Vice-President.)

Berton Gold Mines Limited starts its career as a mining venture with most of the costly speculative element removed, following eleven years of heavy work and cash expenditures. Directors believe that completion of 200 feet more work will justify pilot-mill and hydro-electric installation.

The Company has a capitalization of 3,000,000 no-par-value shares, with 1,000,000 shares paid for the property and all held in escrow. This authorized issue of 500,000 shares is offered at

25 Cents Per Share

The Company has issued a well-illustrated booklet, with maps showing location, holdings, and work done. This will be mailed free to prospective buyers, and without obligation.

Orders at the pre-listing price of 25c for treasury shares will be filled in the order received. Buy direct from the Company and have money orders or certified cheques made payable to:

Berton Gold Mines

LIMITED, N.P.L.

Telephone MArine 6955
Rooms 128-129

815 WEST HASTINGS STREET
VANCOUVER, B.C.

A prospectus has been issued and filed with the Registrar of Companies at Victoria, B.C., as of the 9th of July, 1945. A copy thereof will be furnished to every person who subscribes or applies for any such shares.

Joliet-Quebec Cuts a 58-ft. Width Showing Splash Copper at 300 ft.

A fine showing of copper ore has been obtained by Joliet-Quebec Mines in initial underground work. While it is not possible as yet to assess its true importance the outlook for the project as a whole has been definitely improved, The Financial Post is informed.

Following completion of a shaft to 628-ft. depth, crosscuts were extended toward the ore zone at the 300 and 600-ft. horizons. The crosscut at the 300-ft. level has intersected a width of 58 ft., which appears to run much better than surface drilling suggested. Indicated width of the zone in this sector is about 100 feet.

Forty to 50 character samples taken from the crosscut are reported to have returned 2% copper or better and representative samples viewed by The Post showed a liberal distribution of "splash copper." Copper values occur in patches and surface drilling may not have been truly indicative of what will be opened in underground exploration. Channel samples are now being taken by hand from each wall of the crosscut and the top of the crosscut, and this will determine the average grade in this section. However, there appears to be no doubt that the 1-1½ copper grade of original surface drilling will be bettered.

An important factor in assessing the commercial importance of the Joliet occurrence is that the copper values are being obtained in a highly silicious zone. Material opened runs over 70% silica and the Joliet material should be invaluable as a flux in base metal smelting operations such as Noranda adjoining. There has been a relative shortage of flux in the Rouyn area and opening of the Joliet deposit may have considerable significance.

Nears Zone At 600 ft.

The crosscut at the 600-ft. horizon had not reached the ore zone at midweek but was expected to do so by the end of the week or soon thereafter. When the initial crosscuts are completed, it is expected that drifts will be put out along the ore zone for several hundred feet—extent of the known length of the deposit—with further crosscuts and drilling investigating its extent and grade.

Surface drilling indicated a million tons or better, averaging 1 to 1½% copper. The deposit was drilled to 700 and 800 ft. While the deposit is plum-shaped, the deposit was never bottomed by the drilling completed. It is thought that the occurrence may lie in a shear zone and that there may be repetitions of the copper-bearing zone now being explored.

Located close to Quemont and next door to Noranda, the Joliet property, it is thought, may have important unrevealed potentialities. For the present, the management plans to concentrate on opening the occurrence indicated by drilling, but later it is anticipated that work will be broadened to test other geological bets.

Financing of Joliet Quebec Mines has been carried on by Frobisher Exploration Co., which owned or held options on two million shares in mid-1944. Horne Fault Mines owns 700,000 Joliet shares and the market value of its Joliet holdings now exceeds the market value of all Horne Fault issued shares.

There are at present 3,759,405 Joliet shares outstanding with 1,240,000 shares under option. With the silica content of its ore zone, Joliet may be saved the cost of erecting a production plant — if further work reveals a mine.

Plan Magnetic Survey For Citralam Claims

A magnetic survey is getting under way immediately on holdings of Citralam Malartic Mines with program under the direction of Koulomzine, Brossard & Geoffray. Preparatory cross-section lines are being cut.

Diamond drilling is continuing with hole 49, collared 500 ft. west of 48, probing the extension of the Norbenite ore zone. The hole has been driven to 786 ft. with rock succession to that depth, mainly peridotite, minor amounts of andesite and basic syenite dikes containing pyrite mineralization. No assays have been run as yet. Hole 50 has been deepened to 321 ft., but has not yet reached the zone where intersection of eastward extension of values cut in hole 11, is expected.

Gypsum Yield High In Hants

From Our Own Correspondent

WOLFVILLE, N.S.—Largest gypsum-producing area in Canada, the Hants County beds in Nova Scotia yielded in 1945 about 312,000 tons crude stone, highest output since pre-war peak. Quarries are near Windsor, and the south shore of Minas Basin for 60 miles northeastward is an almost continuous bed of gypsum and limestone.

Four companies operated last year: Canadian Gypsum Co., subsidiary of the United States Gypsum Co.; National Gypsum Co., an American concern operating processing plants on the Atlantic seaboard at New York, Portsmouth, and Newark; Windsor Plaster Co., a local plant manufacturing building supplies, dental plaster, and insecticide; Connecticut Adamant Plaster Co., operating one quarry for shipment to the U. S.

With exception of the Windsor plant, production is shipped by water in crude form (cracked to three-inch size) and in cargoes averaging 3,000 tons, but up to 5,000 tons. Only a small proportion of the combined production goes to Canadian markets, which are supplied mostly from Cape Breton and other nearer fields.

Value of crude gypsum has been put roughly for many years at $1 a ton, but present values are at double that figure or more, official reports for 1944 giving an average for all Canada, of $2.70.

Demand for gypsum is expected to mount steadily, and the Hants County quarries expect 1946 to be a banner year.

PERSHING MANITOU GOLD MINES is keeping two diamond drilling machines active for balance of winter on its Courville twp., Que., property. Work is testing geological anomalies on the property and to locate possible ore as indicated by floats showing gold values.

GOLDVUE MINES advises that drill hole 23, located 75 ft. northwest of 20, has returned $36.19 across width of 18 in. at depth of 143.5 ft., with lower values also obtained. Hole 20 had previously yielded $19 across 7.5 ft. at depth of 177.5 ft.

QUEMONT

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Callinan-Goldvue On Toronto Mart

Shares of Callinan Flin-Flon Mines and Goldvue Mines have been called for trading on the Toronto Stock Exchange, March 1.

Callinan Flin-Flon has started an extensive diamond drilling program on its large acreage adjoining Hudson Bay Mining & Smelting in the Flin Flon area of Man. Goldvue is drilling its property in Duverny twp., Que.

CENTRAL PATRICIA GOLD MINES has declared a dividend of three cents a share, payable April 1, to shareholders of record March 4.

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Canadians To Be Older More Feminine, Forecast

(Continued from page 13)

voting population. By 1971 they will be outnumbered by the "over forties" by at least a third. That means older minds predominating and the development of the sort of conservative policies generally associated with advancing years.

2. A BIGGER WORKING FORCE

Something of the same trend may reflect itself in our labor situation. Militant causes and the urge for change are generally the prerogative of the comparatively young. But as Canada marches through the years her labor force will grow proportionately older and this will probably mean gradual replacement of radical labor policies by more conservative ones.

Whatever may happen in that phase of labor relations, the survey makes it clear that Canada's greatest production potentialities lie in the next 30 to 40 years. Our labor force should grow by at least 40% in that time. The proportion of "old" to "young" workers will increase, but technical advances in the form of new labor-saving machinery can keep average productivity as high as ever. In theory, with a 40% growth of our labor force, production should increase in even greater proportions.

By 1971, with young workers still in the ascendancy, the problem of the man over 50 may be as acute as ever, unless production does increase proportionately, but 30 years later, at the turn of the century, older men will be needed to keep staffs and output up to strength when the younger group begins to decline.

3. A MORE FEMININE RACE

Most interesting trend from the standpoint of future effect is in the balance of the sexes. At present men outnumber women in Canada in all age groups up to age 70. Males maintain that superiority until 1961, but the gap begins to narrow and by 1971 women will outnumber men in all groups from 50 over. Ensuing years will see this backing up the list until, 40 or 50 years later, women will show a surplus in all adult groups.

This will mean that women will find competition in the matrimonial field increasingly keen; and this, in turn, can have its effect in our buying traits. As long as there are more men than women in Canada, woman's influence will be strong as regards regulating the family purchases. When Mrs. Canada wants a modern kitchen or a washing machine or a certain kind of house, she usually gets it because the male is psychologically at a disadvantage. He knows there are lots of other men looking for wives, some of whom would be very happy to provide just such comforts for their mates. That is why women control the purse strings so effectively in Canada and the U. S.

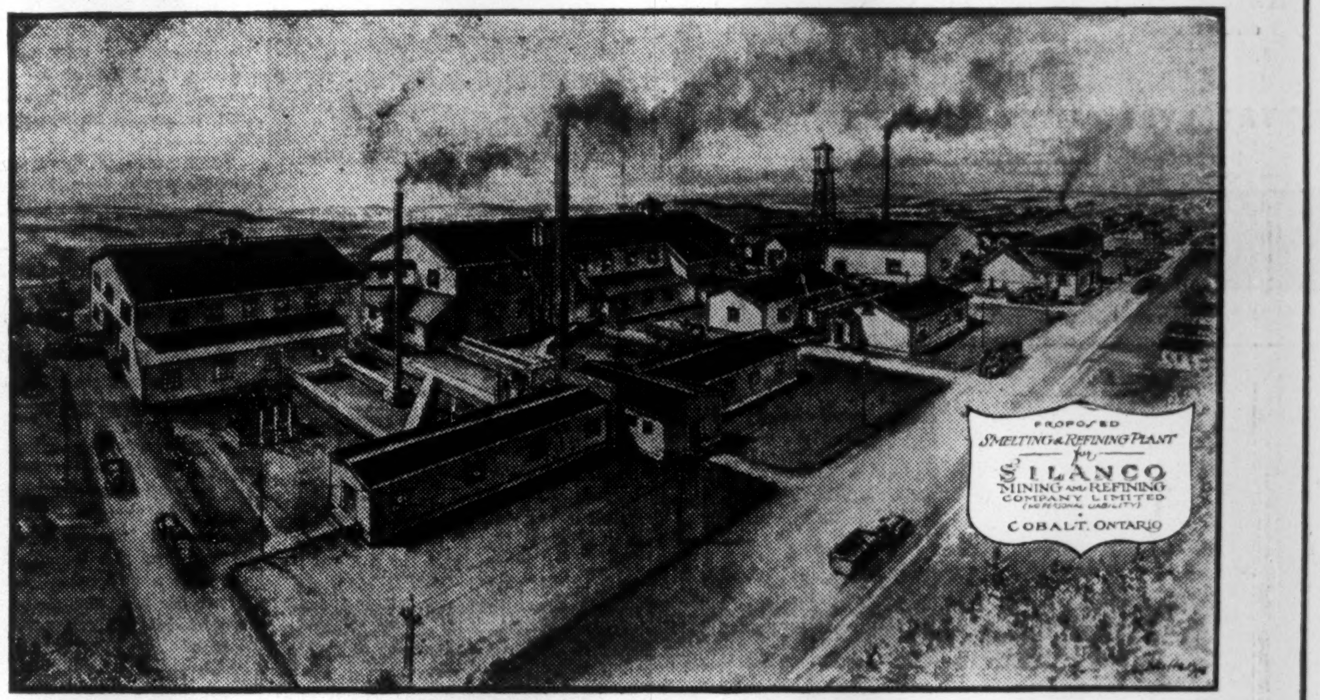
But when there are more women than men, the competition will be the other way round. Mr. Canada can—and probably will—then ignore his wife's plea for some household convenience and buy himself a set of golf clubs or a new car instead. If European trends are any indication, the switch to a predominantly female population will mean that women will make a lot more fuss over their men than they do today, both before and after marriage.

The strange paradox that finds most household and recreation products being designed for a woman's taste in a man's world will probably shift with the population balance and more and more goods will be designed by and for masculine tastes. That's the trend as shown by the statistical projection—an older Canada, a more productive Canada and a more feminine Canada.

But immigration possibilities are not considered in these calculations. Extensive immigration of young Europeans and a return to the vogue of large families could completely change the picture within 30 years. But, as the survey points out, any government social plan aimed at increasing our birth rate to maintain an increasing population had better be initiated in the next 10 or 15 years if it hopes to succeed. Otherwise we'll be so old that fertility rates will have dropped too low to produce the desired result.

This announcement appears for purposes of information only and is not to be construed as an offering by the Company of its shares.

The SILANCO smelter and refinery, pictured alongside, is under construction at Cobalt, Ontario. With a capacity for treating fifteen tons of concentrates daily, it will be the largest and most modern of its type on the Continent.

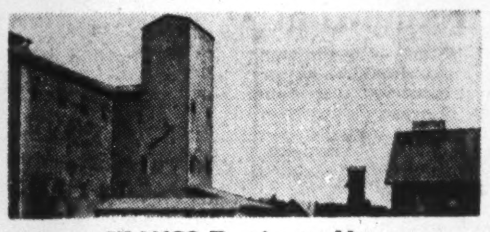


SILANCO Mining & Refining Company Limited

(NO PERSONAL LIABILITY)

SILANCO Mill and Concentrating Plant.

SILANCO Agaunico and Ruethel Mines.



SILANCO Temiskaming Mine.

SILANCO Beaver Mine.

SILANCO Provincial Mine.

THIS CORPORATION has acquired the operations and assets of its successful predecessor, Silanco Mining and Smelting Corporation Limited. With larger capital the new Company contemplates greatly expanded operations with corresponding increased earnings and profits.

Currently milling the ore from its own mines, Silanco is now building a modern smelter and refinery (see above) to process the concentrates therefrom. It will thereby control the production and processing of cobalt, silver, nickel and arsenic from mines to industry, retaining the profit from all operations and simplifying market distribution.

29 Centralized Mining Properties—16 Developed Mines.

Seldom, if ever, has any organization held so many valuable mines and mining properties, in such advanced stages of development. Of a total of 29 mine properties, sixteen are developed mines with a total of more than *forty miles* of shafts, drifts and crosscuts representing a cost of many millions of dollars. With two exceptions these mines and properties are all within a five-mile radius of the Company's mill and the site of the smelter. (Some of the mine and mill buildings are pictured, alongside.)

SILANCO MILL Has Operated Profitably For More Than Two Years.

Operations, heretofore, have been primarily the production of cobalt concentrates. Greatly enlarged operations in the mining of silver as well as cobalt are now expected to require a considerable expansion of the present 100 tons daily capacity of the mill, and possibly the addition of another milling plant.

SMELTER and REFINERY Now Under Construction

The Company has under erection the smelter and refinery pictured above, which will be the largest and most modern of its type on the Continent. By reason of the added revenue, above what has previously been received as payment for its cobalt concentrates . . . and because of the considerable value of silver nickel and arsenic as by-products for which almost no payment was received . . . the smelter should prove a very substantial producer of additional revenue and profits. The smelter will also accept custom work from other operators in the area.

Nearly 100 MILLION Ounces of Silver Produced . . . Nearly 20 MILLION dollars paid in dividends . . . by mines now controlled by Silanco.

Over the period when Cobalt was a richly producing camp the price of silver averaged around 67c per oz. Later the price dropped as low as 25c per oz and the mines closed down. In that period, however, mines now controlled by Silanco Mining & Refining Co. Ltd. produced *96,959,360 ounces of silver* and *$19,828,434 was paid in dividends* from their operations. At the new level of 78c per oz. the price of silver is now above the average level of those bonanza days. Meantime methods of mining, milling and refining have advanced tremendously, with consequent increased efficiency and lowered costs. The profit prospects for silver production to this Company, with 40 miles of underground workings established in former successful producing mines, are immeasurable . . . and are additional to the established profitable operations in the mining of cobalt metal.

Capitalization

Authorized .... 3,000,000 shares	$1.00 par value
Issued for Properties, Mines, Mill, etc.	1,065,000 shares
Issued for cash	261,000 shares
Allocated to present financing program	774,000 shares
In Treasury unaffected by option...	900,000 shares

Officers and Directors

President, Sydney A. Morse, Chatham, Ont.
Executive Vice Pres., Paul H. Hershey, Derby, Conn
Vice Pres. & Managing Engineer, H. T. Leslie, B.Sc., E.M., Toronto, Ont.
Treasurer, Geo. E. Buchanan, Toronto, Ont.
Secretary, Samuel Ciglen, B.A., Toronto, Ont.
Gen. Manager, Louis Cadesky, Toronto, Ont.
Ass. Sec. Treas., Roy C. Sharp, Toronto, Ont.
Director, Wm. C. Knight, Detroit, Mich.
Director, Edward Graham, Detroit, Mich.
Director, Victor B. Rumley, Acton, Ont.
Director, Charles J. Hilliard, Waterloo, Ont.

SILANCO MINING & REFINING COMPANY LIMITED

Mine Office: Silanco Building, Cobalt, Ont.

HEAD OFFICE: 1102 CENTRAL BUILDING, TORONTO 1, ONT.

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LONDON CALLING—BY ADELPHI

Ben Smith Scapegoat in Food Crisis? Juries Lenient to Wronged Husbands

LONDON (By Cable)—The Big Three, after weathering the war, is now in danger of foundering on peacetime reefs, Harold Macmillan has warned the House of Commons. Only a revival of "something like the old Churchill-Roosevelt-Stalin association" can avert a complete wreck, he declares.

News of arrests in the spy ring in Canada has, of course. inflamed feelings against Russia, but some here take the stand that keeping the secret of the atomic bomb in North America, made it inevitable that some such thing would happen.

Macmillan now rates second only to Anthony Eden, as a prospect for the Conservative leadership. Eden is doing a first-rate job as acting leader, despite the fact that he lacks dynamic power as a debater. He is greatly liked by the whole House of Commons, which is a doubtful asset, even if a great tribute to him personally.

* * *

Smith to Wolves Over Food Crisis?

The Attlee government has been badly rocked by exposure of the world food crisis, which, although not its fault, has been handled with maximum stupidity and lack of co-ordination. I am told that the real trouble arose when the United States was called upon to revise its estimates of food supplies, given six months ago to the British government. I think Sir Ben Smith's food ministry may be the first ministerial casualty, although Attlee hates to begin the process of throwing ministers to the wolves.

The situation in India is really serious, but on the other hand, I am told that in Europe, things are rather better than was believed possible. The danger of all such reports from eyewitnesses in Europe, is that they may be judging from isolated cases; therefore I merely pass this on, without being able to verify the information.

Once again I must record how deeply touched we are by the practical expressions of the sympathy of the Dominions. I recently received a cable from former Senator Elliott in Melbourne, saying he would send £1,000 worth of food parcels, free, if I can obtain the necessary shipping space from the government.

If, sometimes, in Canada, you feel weary of well-doing—and it would not be surprising if you did—let me say that the arrival of a parcel, however small, is an event to a British family which brings joy far beyond its intrinsic value. For the bulk of the people, living on food rations, life is very grey and grim, although I am glad to report that spring is a little early this year, and that a Mediterranean sky and a warm sun over these islands, is helping to make us forget that coal is short.

* * *

It's No Wonder Bevin Needs Rest

Ernest Bevin has been ordered to take a rest—and no wonder. In one day, he made three full-dress speeches, two before the United Nations Assembly, and one in the House of Commons, where he defended repeal of the Trades Dispute Act of 1927.

One can perhaps understand Bevin's emotionalism, as that of a man who gave almost his whole life to trade unionism; but it was a foolish and biased speech, which did much to lower the great prestige he has acquired as foreign secretary. He proclaimed that he had been waiting 20 years to make that speech; opinion of the Tories was that he should have waited another 20.

Some political observers think the speech was a calculated attempt to regain popularity with his own party, which has been lukewarm over his sturdy attitude toward Russia. The Tories particularly resented his attacks on Winston Churchill, which they considered ungracious, and unfair. However, Bevin got it out of his system, and perhaps he will revert to the stature of a statesman again.

Sir Stafford Cripps wound up the debate for the Government, with a clever exposition of the case, but one felt that he could argue for the other side just as readily. It may be that the debate was useful, as it reminded the world that Britain had had a general strike (in 1926) in which not one shot was fired; just as, last July, we had our version of the French revolution, in which no one was even hit on the head, much less beheaded. It is still true that in the breast of every Englishman, there beats the heart of a British policeman.

* * *

Juries Are Lenient To Wronged Husbands

And speaking of police, the crime wave has subsided remarkably. Despite harsh press criticism of their failure to curb outbreaks, the police went on preparing their net, and not until ready, did they close it. Few fish got away, and once more, men are learning that crime does not pay.

For example, there was the case of two Polish deserters, charged with murdering a Russian-born gangster. Each turned King's evidence, and confessed that the other fellow did it. British justice, eminently fair, sentenced both to be hanged.

On the other hand, the courts have taken an almost lenient view toward returning soldiers who have killed their unfaithful wives. I do not mean that this is exactly encouraged, but in two cases in which the husbands offered to forgive, and did their best to remake their homes, only to be insulted by their wives, juries have found them not guilty of murder.

During the war England was, of course, one vast courting island for overseas troops, and many marriages resulted; but an unfortunately large number of American soldiers are acting on the principle "marry in haste, then repent in haste." Every day some girl, often with a baby, receives word that her husband in America does not want her. It is a pitiful story, but the government has wisely decided that wartime marriages can be dissolved at once, without the customary delay.

Part of the trouble no doubt comes from wide publication in the American press, of the problem of GI brides, which no doubt affects susceptible husbands. Also, perhaps some British girls are not as great diplomats as Talleyrand or Metternich.

* * *

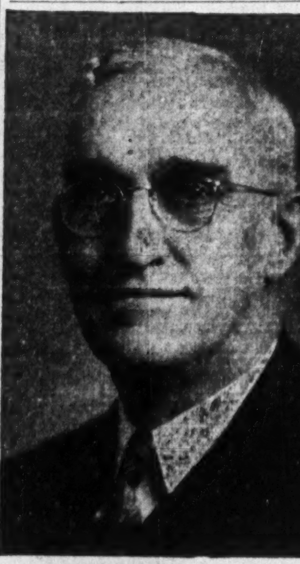
Sunday Newspapers Supplant Pulpits?

Churches here are deeply disturbed about falling attendances, despite the fact that the British people are naturally religious. The Roman Catholic church, of course, keeps a stronger hold on its followers, and, by holding masses every hour, or oftener, up to noon, on Sundays, makes it difficult even for golfers to make excuses.

Critics argue that the set time of services in other churches, is the principle reason for non-attendance, in view of the fact that Sunday is the great open air day for so many. Others think that the threat of the atomic bomb, and the misery so widespread throughout the world, have robbed people of their faith. Still others contend that the Sunday newspapers have taken the place of the churches, and do all the preaching that people want.

Reports from Germany all indicate that only the older people there have any sense of shame, and that the young people are still openly pro-Nazi. This is shown by young ex-servicemen at the universities, who demonstrate against any lecturer who talks of German guilt, and who openly look forward to the day when their army will be created again.

This may be no more than natural bravado on the part of young soldiers who have endured defeat; but it should be a warning to the Big Three, to realize that the need for unity is as great now as during the war.



A. J. DICKEY

has been elected president of the C. A. Dunham Co., succeeding its founder, C. A. Dunham, who is retiring from active direction of the firm.

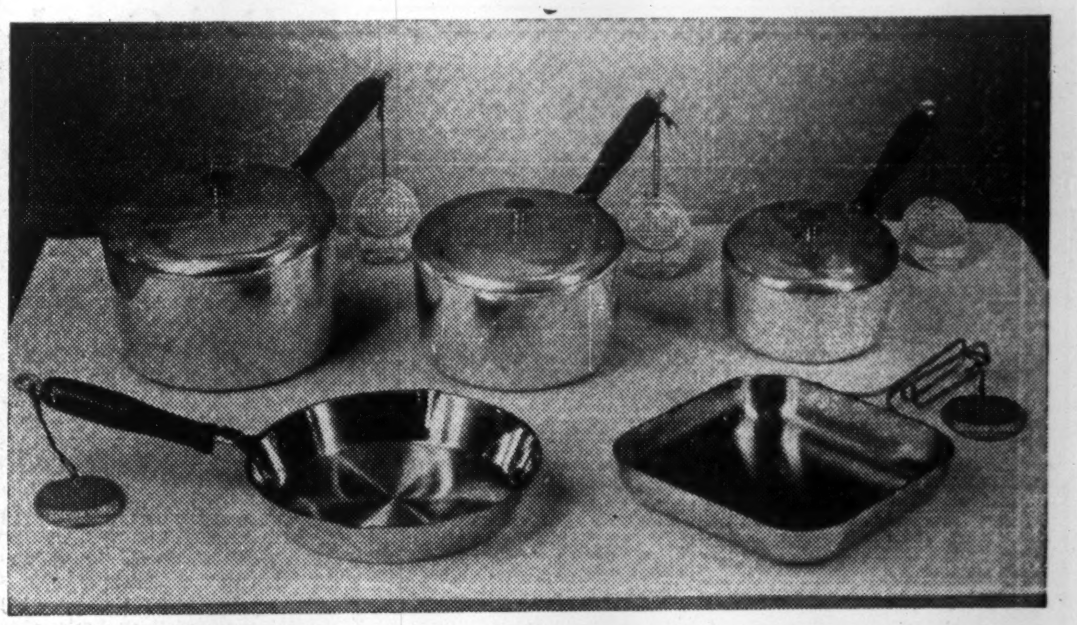
See Shawinigan Facing Expansion

MONTREAL (Staff)—Shawinigan Water & Power Co. should show an equal or even greater progress than during the past 10 years, James Wilson, president, told the annual meeting. Planning includes betterments and additions to the existing system, extension of facilities to new users. Expenditures will be financed in part from the company's resources and in part from sale of bonds or other securities.

Among developments of the past 10 years, Mr. Wilson cited:

Book value of company's assets increased by $9 millions and funded debt was reduced by $7 millions; average interest rate on funded debt cut to 3.97% from 4.65%; depreciation reserve up from $13.6 millions to $33.7 millions; income from sales of power up 62%.

Mr. Wilson said growth of Canada's chemical industry will keep pace with industrial development, and the subsidiary Shawinigan Chemicals Ltd. will play a leading role in the general progress. During the past 10 years, it was stated, Shawinigan Chemicals had developed from a company with very limited production to one holding patents on numerous important new chemical processes, and producing many new chemical products.



DIE CAST ALUMINUM WARE

This Kitchen Ware set is a new and successful addition to the diversified line of "Mitchell-made" products. It is already enjoying a wide sale.

Made by high pressure die casting, this ware has thickness and strength plus lightness in weight and rapid heat absorption. The pots are especially useful for waterless cooking. The square utility pan is a gem of usefulness.

This is one of several important product developments of the company arising from the accumulated know-how of our wartime experience.

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Our Main Job

WE are clearing up deferred orders for telephones as quickly as it can be done.

Over 50,000 telephones have been added since V-E Day — the increase in the last four months of 1945 was greater than in the preceding eight months.*

Our programme for 1946 — for buildings, switchboards, wire and cable, subscribers' equipment, long distance and rural service — will cost upwards of 30 millions.

Today more than a million Bell telephones are in operation — but it's still not enough. Our main job is overtaking deferred orders for service. That means not telephones alone, but buildings, switchboards, wire and cable. We are moving full speed ahead.

*There are 275,000 more Bell telephones in service today than when the war began. More were added in the six years of the war than in the twelve previous years.

THE BELL TELEPHONE COMPANY OF CANADA — LONG DISTANCE TELEPHONE

Frank H. Rowe
Manager.

"DEMAND STILL AHEAD AT THE TURN!"

Canadian production of fine papers is breaking all records. But the domestic demand for bond, duplicating and printing papers has increased far more rapidly than the output and is still far beyond the present capacity of Canadian mills.

This means that such papers will be no more plentiful this year than they were in 1945 — and are likely to be in even shorter supply. Although some wartime controls may be lifted, paper quotas will remain in effect for some time. Mills and merchants will continue to make every effort to distribute the supply of fine papers as equitably as possible, under Wartime Prices and Trade Board regulations.

But it will be necessary for all users of fine papers to reduce their purchases during 1946 or to defer some parts of their orders until the supply begins to catch up with the demand. Before ordering stationery or printed matter, please check with your printer to learn whether the paper is available — and then order only for immediate requirements.

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